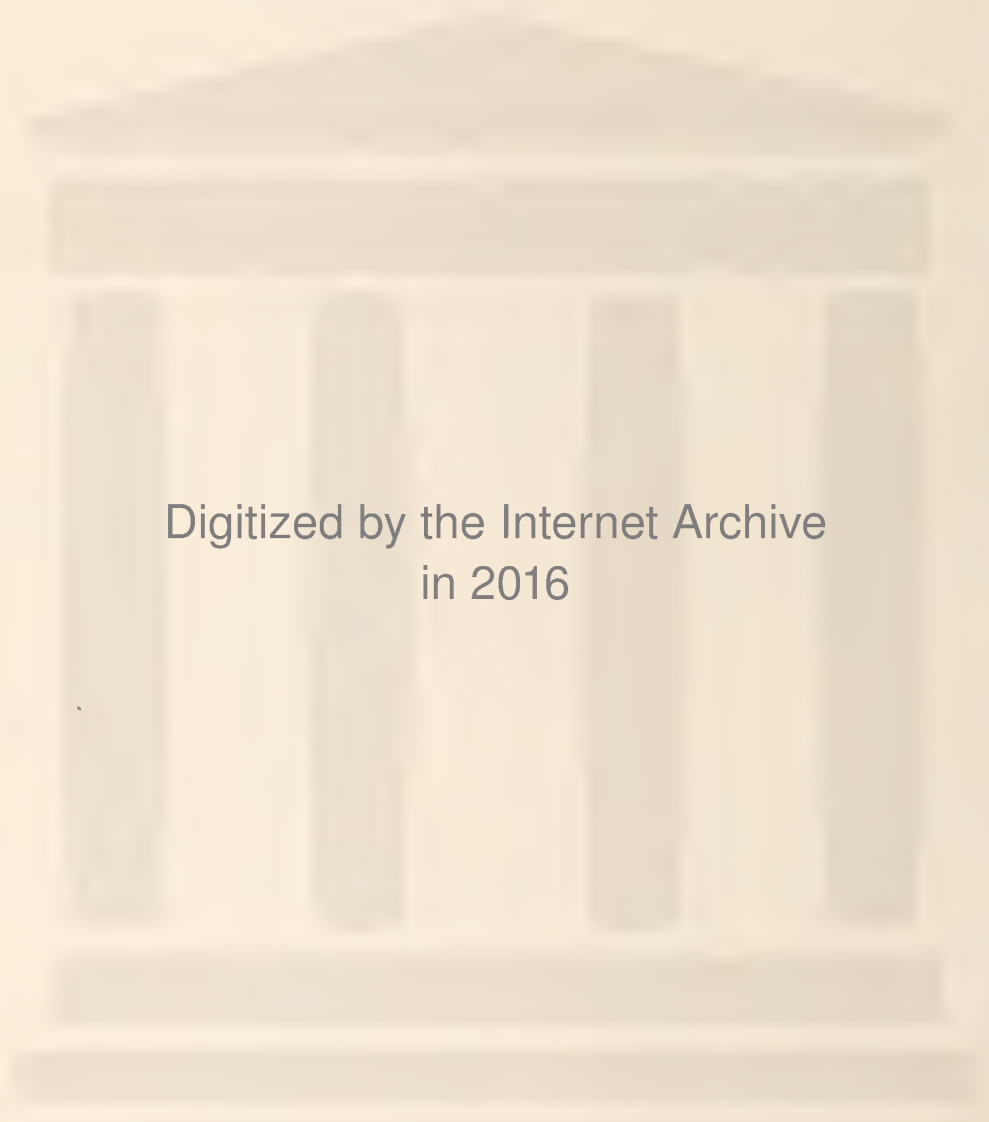
UNIV. OF MD COLLEGE PARK
3 1430 05591914 8

NAB LIBRARY


Digitized by the Internet Archive
in 2016

https://archive.org/details/weeklytelevision3196unse

NAB LIBRARY

WEEKLY **Television Digest**

Copyright 1964 by Television Digest, Inc. Reproduction in any form, without written permission, prohibited.

The authoritative service for executives in all branches of the television arts & industries

Index to Television Digest, 1963

New Series Vol. 3, Numbers 1 through 52

References ore grouped into two major cotegories: General (poges 1-4) ond Manufacturers and Merchandisers (pages 4-6). Index ottempts to cover only items considered to be of more thon possing interest. Reference numbers following eoch item designate issue ond page of Newsletter in which item oppeared.

General

ADVERTISING

1962 ad spending gains, 2:3
FTC report on aspirin, 3:2
TV outshines print media, CBS study shows, 4:2
AFA-AAW govt.-industry conference, 6:2
TV analyzed as market yardstick, 8:4
1962 gross network time billings, 9:4
admen want TV to guarantee audiences, 10:4
FTC tones down "sandpaper" order, 10:5
AAAA reaction to ratings hearings, 17:5
1962 national spot radio up 2.1%, 17:5
networks' views on cigarette ads, 18:5
sales reps back ratings, 19:3
best TV commercials, 21:5
ANA probes TV value, 21.6
Alberto-Culver 1962's top TV spender, 22:6
network rates increased by CBS & NBC, 25:5
Tatham says TV costs are rising for advertisers, 26:5
Tobacco Institute urges ban on youth-aimed ads, 28:5
FTC rules GM and L-O-F commercials illegal, 31:2
NAB adopts guidelines for arthritis and rheumatism ads, 32:4
NAB says admen are part of ratings problem, 39:3
ARF wants voice in ratings reform, 40:3
Cowles' views on media growth, 43:5
AAAA's Crichton dissects Washington, 44:4
Senators favor self-regulation of ads, 46:2
ARF expands media research, 48:4
Kintner warns on ratings deception, 50:4

ALLOCATIONS

Ch. 50 Detroit granted to Kaiser, 1:4
Ch. 2 Santa Fe issued to KGGM-TV Albuquerque, 1:4
Ch. 47 New Brunswick, N. J. assigned WNJU-TV letters, 3:5
Ch. 3 CP, Sterling, Col., granted Frontier Bcstg., 7:5
4 groups apply for Ch. 5 Boston, 13:4
Ch. 7 CP, El Centro, Cal., granted to KXO; Ch. 9 CP to Tele-Bcstrs., 15:6
Ch. 38 CP, Boston, goes to Boston Catholic TV Center, 20:6
Ch. 11 proposed for Staunton-Waynesboro, Va., 30:5
Ch. 12 Santa Maria, Cal. granted Central Coast TV, 37:4
Ch. 20 CP, Chicago, granted Chicago ETV Assn., 37:4
Ch. 2 granted Samoa for ETV, 47:5
WWLP Springfield, Mass. gets WONE-TV's uhf CP, 50:5

AM (Standard) BROADCASTING

Tighter rein on new stations likely, 2:3
KRSD Rapid City, S.D. fined $1,000 for defective equipment, 17:4
KWK St. Louis license revoked, 22:5
FCC levies $3,500 forfeiture against 3 Ohio stations, 25:6
Nielsen drops local radio service, 26:5
WDKD, Kingstree, S. C. goes to court over "obscenity" decision, 34:4
ARB readies radio study, 35:3
FCC's 1962 profit report, 47:3

Station Sales

Ann Arbor, Mich., WHRV, 9:5
Puerto Rico, WAPA, 47:5
New York, N. Y., WBFM, 50:5

AMERICAN BROADCASTING COMPANY (ABC)

profile on new Pres. Tom Moore, 15:2
views on cigarette advertising, 18:5
petitions FCC for option time, 27:4

AWARDS

TV guide annual awards, 16:5
1962 Peabody awards, 17:6
CBS wins World TV Festival award, 19:5
best TV commercials, 21:5

COLOR TV

set makers join color bandwagon, 4:12
Cincinnati is "Color Town USA" with set penetration, 6:10
color sets pose no service problems, Mansfield says, 19:7
Admiral introduces $399.95 color leader, 21:7
Motorola introduces 2-size color line, 26:7
RCA invests $11.6 million to expand color lab, 26:9
Pilot studies return to TV production, color only, 26:11
Curtis Mathes enters color market, 27:10
Pilot to make color sets, 32:10
Sylvania survey of color market, 37:6; 38:7
1954-63 color set production estimates, 39:7
RCA color survey by Elmo Roper, 40:9
color TV at World's Fair, 48:11
EIA will publish color statistics in 1964, 49:7
sales forecasts, 6:8; 11:9; 28:11; 33:8; 37:8; 50:7

COLUMBIA BROADCASTING SYSTEM (CBS)

financial, 7:12; 19:12; 33:10; 46:12
contests FCC decision on affiliate compensation plan, 1:4
TV vs. print media study, 4:2
contributes $100,000 to educational WNDT, N.Y., 14:6
views on cigarette advertising, 18:5
annual affiliates meeting, 19:4
wins World TV Festival Award, 19:5
increases network rate, 25:5
"Town Meeting of World" Telstar project, 27:5
donates $250,000 for educational Ch. 28 Los Angeles, 33:4
Stanton & Salant views on editorials, 40:5
makes move into CATV, 45:3
adds colorcasts--when sponsor pays surcharge 46:6
rejected by FCC on TV compensation plan, 47:4
stockholders approve 2-for-1 stock split, 52:5

COMMUNITY ANTENNA SYSTEMS

compromise on control law seen, 2:2
New England Video buys Keene, N.H. system, 3:5
broadcaster-CATV conflict in Tifton, Ga., 4:3
giants battle at Austin, Texas, 5:3; 6:5
FCC regulation foreshadowed, 7:2
CATV-microwave dispute, 8:5
CATV operators seek regulations, 12:3
Binghamton, N.Y., system gets go-ahead, 12:3
McLendon radio group goes CATV, 15:5
CATV regulation nears climax, 16:3
NCTA-FCC at odds on CATV law, 17:2
list of broadcasters with CATV interests, 17:3; 22:4
Vincennes U. plans unusual CATV operation, 17.4
WGN-TV Chicago moves into CATV field, 18:5
Casper, Wyo., gets CATV-microwave channel, 22:4

Cox Stations buys Aberdeen, Wash. CATV system, 22:4
status report on CATV regulation, 23:1
report on CATV prosperity and growing pains, 24:3
new NCTA officers, 24:6
broadcaster R. W. Rounsaville applies for Rome, Ga. franchise, 27:5
H & B American seeks Communications Satellite stock, 27:5
translators vs. CATV in Neb., 31:2
PGR Enterprises buys 2 Va. systems, 32:5
NCTA eager to work with FCC, 34:3
nation's largest CATV system signed for Austin, Tex., 35:6
Storer buys 80% of S. Cal. Cable TV, 36:4
RKO plans acquisition of H & B American, 40:4
antenna makers team to stop CATV growth, 41:1
CBS invests in Vancouver, B.C. system, 45:3
CATV & TV-Radio Veterans meeting, 46:4
updated list of CATV systems, 47:3
McLendon aims for 34,400 CATV subscribers, 49:3
CATV progress report, 50:2
American Cable buys Tupelo, Miss. system, 52:5
TV Microwave's CATV plans, 52:5
broadcaster W. E. Hussman enters CATV field, 52:5

CONGRESS
hearings on rating services, 9:1; 10:1; 11:3; 19:2
broadcasters launch offensive against Sec. 315, 10:3
Rep. Celler slates TV-newspaper probe, 10:6
Nielsen testifies at ratings hearings, 12:1; 13:3; 15:3
House passes equal-time suspension, 25:1
Senate Communications Subcommittee holds equal-time hearings, 26:2
opens hearings on editorial practices, 28:1
House hearings on editorializing, 29:3
Rogers bill bans commercial limits, 35:4
Harris thinks FCC over-steps itself, 36:1
Sen. Proxmire bill bars FCC favors for congressmen, 36:5
Richardson's 4-point program of ratings validation, 38:3
Congressional views on editorial freedom, 38:5
House approves 1964 FCC & FTC appropriations 41:5
Rep. Rogers raps FCC, 42:2
Senate group tells FCC to limit staff, 42:5
House hearings on commercial limits, 45:1
Harris scores "fairness" doctrine, 46:5
Senate passes 1964 FCC & FTC appropriations, 47:4
House action on commercials and editorials, 50:4

EDUCATIONAL TV
Virginia's ETV network plans, 1:4
airborne ETV group seeks 6 uhf channels, 3:3
Peace Corps' Colombia project, 6:2
Triangle donates $1.5 million in facilities to ETV station, 17:5
travails of ETV in N. Y., 18:3
CBS says ETV should compete with commercial TV, 19:5
Agency for International Development drops ETV project, 19:5
FCC establishes new point-to-point ETV service, 30:2
HEW ETV grants, 31:5; 32:5; 34:5; 35:6; 39:5; 43:6; 50:6.
Congress loosening ETV purse strings, 33:1
ETV makes bid as real program force, NET gets $6 million grant, 40:2
merits of airborne ETV, 52:5

ELECTRONIC INDUSTRIES ASSN. (EIA)
will compile color TV sales data, 12:7
moves to broaden scope, 12:9
crusades for all-channel tax repeal, 25:10
Wayman succeeds Sandwick as consumer products staff dir., 37:8
girds for fight on imports, 39:7
drops statistics on 11-in. TV, 40:8
pushes for color set data, 48:8
will include color TV statistics in 1964, 49:7
Horne forecasts 1963 and 1964 records, 49:8

ELECTRONICS INDUSTRY
Armstrong estate settles FM patent suits, 21:11
profile on home facsimile progress, 31:3
molecular consumer products due in 1964, 45:7
leaders see business climate good under LBJ, 48:7

EQUIPMENT
MGM Telestudios' new tape-film system, 2:5
Waltham Precision develops Tele-Beam projection system, 3:6; 4:7
molecular revolution in consumer products, 5:7
GT&E transmits TV via laser, 8:9
3 portable TV tape recorders debut, 13:6
Sylvania shows 2-in-1 TV camera, 13:9
transistorized broadcast equipment debuts at NAB show, 14:3
FTC ruling on foreign parts controversy, 14:14
ABC-TV debuts 4-vidicon color camera, 15:5
Collins introduces stereo modulation monitor, 17:5
report on Talaria color projector, 18:2
Scope Inc. developing color adaptor for b&w sets, 27:9
report on Telcan home video tape recorder, 27:11; 31:7; 32:7
KEND-TV Fargo builds 2,063-ft. tower--world's tallest, 31:4
EBU delegates see 4 types of color cameras, 31:5
behind Cinerama-Telcan deal, 36:7
Ampex shows home TV tape recorder, 37:10
Ampex introduces portable broadcast video tape recorder, 38:6
Eidophor color projector in production, 39:3
Philips to export TV cameras to U.S., 39:5
Fairchild readies home TV recorder, 44:9
demonstration of color TV Plumbicon camera, 47:5; 48:6
preview of Telcan TV recorder, 50:3; 51:7

FEDERAL COMMUNICATIONS COMMISSION (FCC)
Lee irked by MST uhf critique, 1:2
regulatory agency streamlining proposed, 1:3
reaffirms WDKD "obscenity" case, 1:4
upholds integrity of WLOF-TV Orlando principals, 2:5
Sheridan to be Broadcast Bureau chief, 3:2
fiscal-1964 budget submitted, 3:5
repulsed at "battle of Omaha," 5:1; 6:3
Cox breezes through Senate hearings, 5:2
sponsors "CUB" for uhf promotion, 6:1
Minow slated to leave FCC, 7:1
splits on vhf drop-ins, 7:2; 8:1
plans hearings on "honest labeling" bill, 7:4
issues uhf mobile data, 7:5
votes against vhf drop-ins in 7 markets, 10:2
recommends new license fees, 10:5
renews 70-plus TVs on local-live issue, 11:3
rejects settlement of NBC-Philco fight over WRCV-TV Phila., 11:5
approves Ford's motion for more radio programming data, 12:2
Lee would raise station ownership limit, 12:5
seeks ceiling on commercial time, 13:2
votes license fees, 13:2
Cox views on local-live issue, 13:5
considers altering AM-FM standards, 14:6
finalizes new license fees, 19:5
issues anti-payola rules, 19:5
Henry's address before Radio & TV Council of Middle Tenn., 19:6
William Henry named FCC chmn., 20:1
shape of TV program form, 20:5
issues proposal to limit commercials, 20:6
proposes new AM-FM standards, 20:7
interview with new FCC chmn., 21:1
questions 5 New England stations on local-live, 21:4
orders end of option time, 22:1
kills proposal for vhf drop-ins, 22:2
Chmn. Henry's new staff, 22:5
Loevinger urges FCC self-restraint, 23:2
Minow recommends revamping FCC, 23:4
Loevinger takes oath as FCC commissioner, 24:5
FCBA debates "program control," 24:6
Ford's position on local-live, 25:3
seeks $16.5 million appropriation, 25:5
explores "combination rates," 26:3
delay in drop-in decision, 27:1
new Emergency Broadcast rules, 27:5
report on activities, 29:1
studies plan to end FM freeze, 29:2
AMST asks Cox to drop out of drop-in case, 29:5
profile on Comr. Loevinger, 30:1
votes short-spaced move of KOCO-TV Enid to Oklahoma City, 30:2
sets ground rules for drop-in arguments, 31:2
seeks to promote uhf, 32:2
Loevinger's maiden speech is tough one, 35:2
ponders "fairness" in dramatic works, 35:3
commercial limits battle nears climax, 37:1
official 1962 TV profit report, 38:2
CATV-microwave policy, 38:5
Henry attacks "over-commercialization," 39:1
reserves Ch. 37 for radio astronomy for 10 years, 40:5
revisions in uhf allocation plan, 41:2; 43:3
Henry's report on Omaha local-live hearing, 43:1
staff urges no CATV compromise, 43:3
affirms $500 forfeitures from 4 Minnesota TVs, 44:5
forms Pay TV Committee, 45:5
kills vhf drop-ins in final 4-3 vote, 46:1
acts to crack sales logjam, 46:5
examiner approves NBC-RKO deal, 47:4
hits Metromedia with ownership quirk, 48:4
fairness-in-fiction hearings, 49:2
Loevinger seeks program-form consensus, 49:2
commercial-limits showdown nears, 49:3
studies mobile sharing of Ch. 7-13, 49:4
trusteeship approved for Mrs. LBJ stations, 49:4
over-commercialization decision, 50:1
telecasters and set makers split over vhf power ratio, 50:5
Ch. 10 Miami should shift to S. Fla. TV Corp., examiner says, 52:4
Henry's year-end statement, 52:4

FINANCIAL ACTIVITY, GENERAL

Manufacturing

components makers score 1962 gains, 14:11
set makers net big 1962, 15:9
profile of electronic parts distributors, 19:8
set makers post good first quarter, 20:9
parts distributors topped $1 billion in 1962, 22:9
components makers sagged in first quarter, 28:8
set makers post first-half gains, 33:6
components profits dwindle in first half, 34:9
parts distributors in profit squeeze, 42:8
components sales-profits show 9-month lag, 46:8

Film Producers & Distributors (financial reports)

Allied Artists, 10:12, 21:12, 42:12; 46:12
Columbia Pictures, 10:12; 23:12; 42:12; 51:12
Desilu, 11:12, 30:12, 34:12; 51:12
Disney, 2:12; 6:12; 19:12; 33:10
Filmways, 6:12; 14:16; 28:6; 48:12
Four Star, 18:12; 40:12
MGM, 3:12; 16:12; 29:12; 49:12
Meredith Publishing, 19:12; 34:12
Movielab, 16:12; 22:12
MPO Videotronics, 8:12
Paramount, 16:12; 20:16; 33:10; 41:12
Republic, 3:12; 10:12; 23:12; 36:12
Walter Reade/Sterling, 38:12
Screen Gems, 8:12; 21:12; 39:12; 49:12
Seven Arts, 24:12
Stanley Warner, 3:12; 15:12; 28:6; 46:12
Trans-Lux, 11:12; 18:12; 46:12

20th Century-Fox, 14:16; 21:12; 34:12; 48:12
United Artists, 17:12; 24:12; 36:12; 50:12
Warner Bros., 6:12; 19:12; 49:12

Telecasting

profile of broadcasting firms, 5:3
broadcasters post big 1962 gains, 15:1
NAB 1962 TV-radio profit report, 28:4
broadcasters net first-half gains, 36:3
FCC 1962 TV profit report, 38:2
AB-PT, 12:12; 17:12; 31:12; 44:12
Boston Herald-Traveler, 29:12
Capital Cities Bcstg., 9:12; 17:12; 29:12; 43:12
Cowles Magazines & Bcstg., 10:12; 35:12
Chris Craft (formerly NAFI), 10:12; 20:16; 35:12; 47:12
Famous Players Canadian, 11:12; 38:12; 51:12
Crowell-Collier, 10:12; 18:12; 30:12; 45:12
Goodwill Stations, 17:12; 30:12; 43:12
Gross Telecasting, 12:12; 19:12; 29:12
Macfadden-Bartell, 16:12; 32:12; 45:12
Metromedia, 9:12; 16:12; 30:12; 41:12
Outlet Co., 15:12; 26:12; 39:12; 43:12
Reeves Bcstg., 12:12; 19:12; 31:12; 45:12
Scripps-Howard Bcstg., 45:12
Rollins Bcstg., 9:12; 28:6; 35:12; 38:12; 48:12
Storer Bcstg., 9:12; 15:12; 30:12; 44:12
Taft Bcstg., 5:12; 23:12; 30:12; 43:12
Times-Mirror, 13:12; 15:12; 36:12
Transcontinent TV, 6:12; 17:12; sale pending to Taft, 15:3; sells stations for $38.5 million, 31:6
Wometco, 12:12; 17:12; 28:6; 29:12; 39:12

Miscellaneous

Capitol Records, 35:12
Decca Records, 12:12; 19:12; 33:10; 46:12
H & B American, 10:12; 22:12; 51:12; sale pends to RKO, 40:4
MCA, 15:12; 20:16; 33:10; 47:12
A. C. Nielsen, 2:12; 14:16; 27:12; 46:12
TV Shares Management, 24:12

FOREIGN TRADE
1962 TV-radio-phono imports from Japan, 6:7
Radio imports climbing, 18:10
Japanese TV sets near UL approval, 25:9
Europe trends away from "Fair Trade," 28:9
Jan.-May imports up, exports down, 28:10
Symphonic files anti-trust suit against Japanese firms, 29:7
400,000 TV imports seen for 1963, 32:7
AID supplying 10,000 radios to Viet Nam, 34:10
UK's 1962 electronics imports to U.S. up 30%, 34:11
Canadian electronics—a profile, 35:8
Japan sets minimum TV prices, 35:11
"mistake" gives windfall to TV picture tube importers, 45:8
Japanese export prices falling, 48:9

FOREIGN TV
Canada rules no color TV for near future, 7:8
overseas TV stations increased 29% in 1962, 10:5
foreign TV receivers outnumber U.S., 11:1
listing of foreign stations and sets, 11:5
Greece plans 17-station network, 14:8
KONA-TV Honolulu affiliates with Japanese network, 14:8
Japan pins hopes on TV, 18:10
Japan's Toho Co. plans theater-TV color network, 20:6
Japan seeks "orderly" TV exports, 22:10
Russia has 9 million TV sets, adds 5,000 daily, 26:5
Mexico decrees uhf telecasting in color only, 27:6

FREQUENCY MODULATION (FM) & FM STEREO
1962 FM radio sales, 1:8
Pacifica denies red ties, 2:6
Gallo shows new indoor FM antenna, 4:9
GE pioneers FM stereo drama, 6:4
FM car radio sales rolling -- slowly, 8:7
Auditron's single channel FM set, 9:8
10 new FM stereo markets open, 10:7
report on FM broadcasters' gains, 14:6
list of 230 U. S. & Canadian FM-stereo broadcasters, 20:10
9 additional FM-stereo starters, 23:9
new FM-stereo starters boost total to 241 stations, 28:3
WABC-FM N.Y. schedules stereo-casting, 29:6
FCC lifts FM freeze, 30:5
FM-stereo stations now total 259, 31:9
5 million FM radio sets seen for 1963, 44:8
14 new FM stereo starters, 47:9

MERCHANDISING, TV RECEIVER & APPLIANCES
Manufacturers decry consignment plans for dealers, 2:7
BBB & list prices --7 months later, 5:9
Westinghouse plans retail store, 7:7
Supreme Court ruling on White Motor franchise case, 10:8
Quality Stabilization hassle, 14:13
action for consumer & dealer protection grows, 16:9
FTC opens "deceptive pricing" hearings, 23:8
National Assn. of Mass Merchandisers attacks Fair Trade bill, 23:8
House committee passes QS bill, 26:9
Shallow sees distribution upheaval, 27:8
Opinion Research survey on discount buying, 29:9
"shook out" discount industry expanding, 35:9
N.Y. passes false advertising law, 38:10
Committee for Competitive Prices forms, 41:7
Hertz readies new TV rental program, 43:8
Neb. pulls rug on installment sales, 44:7; 47:10
discount group offers quality seal, 46:10
discounters improve image, gain shoppers, 47:8
Louisville retailers sue to force Sunday closing by discounters, 49:10; 50:11
discounters face rising costs in 1964, 52:8

NATIONAL ASSN. OF BROADCASTERS (NAB)
gives Collins 3-year contract, 3:1
Collins flays FCC for Omaha hearing, 4:1
highlights of Chicago convention, 13:1; 14:1
new elections to NAB board, 14:6
forms committee to study forming Program Dept., 17:4; committee recommends Program Dept., 18:5
Harris likes NAB rating proposal, 21:2
questions commercial limits codes, 21:4
Radio Code Board attacks FCC commercial plan, 22:4
TV Review Board proposes code changes, 24:2
rating council holds first meeting, 25:2
vows fight against commercial ceiling, 26:1; 28:2
raters endorse audit plan, 28:3
1962 TV-radio profits report, 28:4
plans to establish outside rating audit, 29:2
Nielsen favors audit only, 30:4
Collins views on British TV, 31:1
Nielsen & NAB talk turkey on ratings, 31:3
challenges FCC's interim editorializing guide lines, 31:5
tension develops in rating reform; 32:3
Nielsen applies for accreditation, 33:2
Robert Swezey resigns NAB post, 33:4
President Kennedy lunches with top broadcasters, 34:1
fights challenge to leadership, 34:2; 35:5
rating council wants AAAA on board, 37:2
NAB sessions spotlight govt. problems, 42:3
Quarton's "Dear Roy" note on commercials, 44:3
Bell named Code Dir., 45:3
Bell's views on Codes, 48:3
Collins attacks Luckies commercials, 48:5
action to oust Collins, 51:1
presses study of commercial practices problems, 51:3

NATIONAL BROADCASTING COMPANY (NBC)
FCC rejects settlement with Philco on WRCV-TV Phila., 11:5
1962 foreign TV business up 61%, 13:6
Sarnoff's views on ETV goals, 21:5
NBC-MCA plans for network "movie premieres", 24:1
increases network rate, 25:5
charged with "coercion" in Phila. case, 39:5
donates $250,000 for ETV uhf in Los Angeles, 45:5

PAY TV
Home Entertainment Co. of America files with SEC, 3:5
GE & National General plan theater-TV network, 9:3
theater-TV hockey tieup in Canada, 22:4
Paramount's Telemeter plans, 23:5
Subscription TV forms for West Coast pay TV, 33:2; names Pat Weaver pres., 37:4
details of West Coast pay-TV cable deal, 34:3
O'Neil's outlook on pay TV, 38:4
NBC's Beville assails pay TV, 41:4
Macfadden-Bartell seeks 8-month delay for Denver project, 47:1; gets 2-month delay, 48:5
Subscription TV's pay-TV plans, 47:4

PHONOGRAPHS
"package" hi-fi definition goes to FTC, 2:9
phono makers seek grading system, 12:8
3M-Revere plans new tape cartridge models for 1964, 18:8
FTC makes slow progress toward hi-fi definition 21:8
console phono boom looms, 39:9
"form freedom" expands hi-fi market, 43:7
forecasts for 1964 radio-phono sales, 51:9
3M's cartridge plans, 51:11

PREDICTIONS
Sylvania sees up to 800,000 color sales in 1963, 6:8
set makers predict color's future, 11:9
Mansfield's 15-year forecast for TV-radio-phono, 14:10
industry reviews all-channel law's effect on sales, 18:7
Bartell sees pay TV in 15 million homes, 25:6
Sarnoff says color will account for nearly all TV sales by 1970, 28:11
Motorola forecasts 1963 color sales of 600-700,000, 33:8
RCA predicts 1964 demand for 1.5 million color tubes, 37:8
forecasts for discount industry in 1970s, 37:9
1963 forecast for component hi-fi industry, 37:10
GT&E predicts $15 billion electronics volume in 1963, 37:10
Ampex's Roberts says world electronics sales will double in 6 years, 39:9
Sarnoff sees satellites with one billion audience in 2 decades, 49:4
Television Digest forecasts for 1964 telecasting, 52:1
year-end statements by major set makers, 52:11

PRODUCTION, TV-RADIO-PHONO
1962 TV output--6,484,501 sets, 2:9
RCA designs new color chassis, 10:7
set makers face all-channel challenge, 12:7
GE builds transistorized uhf tuner, 13:7
All-American sets disappearing, 13:8
Matsushita announces 90-degree color set, 16:10
TV set prices down 7%, radios 9% since 1957-59, 16:10
industry puzzled by radio sales slide, 17:7
radio-phono in 1964, 51:10

PROGRAMMING
Steiner study on audience attitudes, 8:2
FCC answer on Nixon-Hiss telecast, 8:5
Hubbell Robinson leaves CBS-TV again, 11:6
increasing interest in syndication, 12:2
growing reaction to ratings fever, 16:1
Rep. Harris needles FCC and broadcasters in Biloxi speech, 16:3
users sue ratings services, 17:1
Salant extols TV news, 21:5

flurry of rating-reform moves, 22:2; 23:3
FCC-FTC to examine use of ratings, 24:3
Nielsen drops local radio service, 26:5
CBS's "Town Meeting of World" wins kudos, 28:1
editorializing changes follow House hearings, 30:3
Nielsen favors audit only, 30:4
Group W schedules theater-and-TV project, 31:4
Harris subcommittee "encouraged"over rating progress, 34:2
programming seen uhf's unsolved dilemna, 35:1
Civil Rights march on Washington is TV spectacular, 35:6
ARB report on TV audience measurement, 36:4
Group W succeeds as TV-stage angel, 42:2
FTC checks Nielsen, 44:2
Nielsen takes action to stop ratings leak, 45:5
reaction to NBC's "Week That Was", 46:4
coverage of JFK assassination wins praise, 48:2
Rating Council incorporates, 51:2
sports tolls worrisome bell for TV, 51:2

SALES, TV STATIONS
KLYD-TV Bakersfield, Cal., 1:4
WREC-TV Memphis, 1:5
WHAZ-TV Macon, 2:6
WDBO-TV Orlando, Fla., 4:4
KOAT-TV Albuquerque, 4:4
KVOA-TV Tucson, 4:4
KKTV Colorado Springs, Col., 4:4
WREX-TV Rockford, Ill., 5:5
KAVE-TV Carlsbad, N.M., 9:5
KSYD-TV Wichita Falls, Texas, 11:5
KVIP-TV Redding, Cal., 11:5
KFEQ-TV St. Joseph, Mo., 12:6
Taft buying Transcontinent TV, 15:3
WDBO-TV Orlando, Fla., 15:5
Midwest TV buys KFMB-TV San Diego and KERO-TV Bakersfield, 16:5
KTTV Los Angeles, 22:5
K8LL-TV Helena, Mont., 23:5
KVIP-TV Redding, Cal., 23:5
WNBE-TV New Bern, N.C., 25:6
KAVE-TV Carlsbad, N.M., 25:6
KOVR-TV Stockton-Sacramento, 40:5
KTVU San Francisco, 42:6
WDEF-TV Chattanooga, 45:7
WAFG-TV Huntsville, Ala., 46:5
KVII Amarillo, 46:6
KRGV-TV Weslaco, Texas, 47:5
KUAM-TV Agana, Guam, 48:5
KIRO-TV Seattle, 51:5
KBAK-TV Bakersfield, 52:6
KGGM-TV Albuquerque, 52:6

STATIONS
WLOF-TV Orlando renamed WFTV, 4:7
WFAA-TV Dallas gets FCC renewal, 6:3
"Group W" is new Westinghouse Bcstg. identification, 20:5
WHAS-TV Louisville fined for not identifying political sponsor, 21:6
WHYZ-TV Duluth CP cancelled, 22:5
Northwest Agencies granted control of KETV Omaha, 23:4
Court of Appeals upholds shift of Ch. 6 Providence, 25:5
WAST Albany shifts from Ch. 35 to Ch. 13, 30:6
WQAD-TV Moline, Ill. is year's 6th starter, 31:5
WFGA-TV Jacksonville keeps Ch. 12, 39:6
Jack Paar dickers for WMTW-TV Mt. Washington, 40:5; 41:7
new-station status report, 42:1
tall-tower king: KENO-TV Fargo, 45:5
Group W's public service image, 46:2
KJFL-TV Durango, Colo., is year's 13th starter, 46:5
WHNT-TV Huntsville is 14th new starter, 48:5

SPACE COMMUNICATIONS
more space TV "firsts," 2:5
Syncom satellite goes astray, 7:6
Hyde report on space communications, 8:6
Communications Satellite Corp. gets $5 million credit, names L. D. Welch chmn., 9:6
Sarnoff's views on overseas carriers, 27:4
Communications Satellite Corp. accused of dragging feet on stock sale, 30:5
CSC's reply, 32:4

STEREO FM
See "Frequency Modulation & Stereo"

TELECASTING
FTC consent orders on ratings, 1:2
industry combats new tall tower criteria, 39:4
Mrs. LBJ moves to disassociate President from financial connections with industry, 48:1

TV RECEIVER SALES & TRENDS
private label TV business booming, 4:8
distributor sales up 9% in 1962, 4:10
1962 TV imports totaled 2% of market, 4:10
EIA's 1962 TV-radio-phono sales figures, 7:7
9 states require UL approval, 8:8
tinyvision heats up as Sony cuts price, 9:7
top TV-brands-in-use in 15 markets, 17:8
calendar of 1963 new-line showings, 18:9
few warranty changes seen in 1963, 19:7
industry shuns $399.95 color set, 22:7
radical changes in TV sales mix, 1952-63, 22:8
review of 1964 TV lines, 23:7; 24:8; 26:10
Emerson's U. S.-made 16 in. TV at $99.95, 25:7
most Sears sets include all-channel tuner, 26:8
top TV brands in Latin America, 28:3
industry views on tinyvision, 29:9
color, tinyvision and portables dominate Music Show, 30:7
five-and-dime stores move into TV, 31:8
top TV-brands-in-use in 11 markets, 32:8
Admiral ships 11-in. TV, 35:7
govt.'s 1962 TV-radio figures, 35:10
Heath to offer color TV kit, 35:10
Curtis Mathes plans 11-in. TV, 36:7
price trends of 15 TV brands, 36:8
analysis of imported TV prices, 43:8
hotel TV survey, 46:7
set maker's 1964 predictions, 50:7
winter drop-ins, 49:10; 50:11; 51:12; 52:11
set makers view 1964's major problems, 52:7
set makers see upbeat 1964, 52:11

TUBES, TV PICTURE (See also individual mfrs. & Color)
Westinghouse becomes 4th firm to make Kimcode, 5:9
bonded Teleglass gains acceptance, 7:9
RCA will make Kimcode tubes, 11:7
11-in. is next U. S. picture size, 11:7
single-gun color tube patented by N.Y.U. scientist, 12:10
25-in. color bulbs seen 18-24 months away, 13:8
Philips explores U.S. picture tube business, 15:8; 32:11
Sylvania ships color tube samples, 15:11
Motorola 23-in. color tube ready for production, 17:8
Corning unveils "Shelbond" tube, 23:7; 24:7
activity on Paramount's Chromatron color tube, 23:11
industry appraises Shelbond tube, 25:8
RCA unveils Pan-O-Ply anti-implosion tube, 25:11
old-size picture tubes still available, 26:9
RCA stands pat on 21-in. 70-degree color tube, 27:7
Shelbond meets wide approval, 36:7
Admiral studies color tube production, 38:8
Video Color Corp. develops flat 2-color tube, 41:8
1963 color tube shortage seen, 41:8
tube implosion suit filed against Muntz TV, 42:10
1964 color tube capacity of 1.5 million seen, 49:8
Motorola not sure of 23-in. color tube, Galvin says, 50:8

UHF (Ultra High Frequency)
tuner makers prepare for uhf transition, 3:7
Minow states faith in uhf, 4:4
uhf-development committee holds first meeting, 11:2
committee for development of uhf broadcasting names exec. committee, 12:5
3rd technical report on New York's uhf project, 13:5
General Instrument's transistorized uhf tuner, 14:10
uhf market guide, 16:7
D. L. Steel's views on uhf prospects & pitfalls, 17:3
conflict develops in uhf study, 18:1
Sony shows uhf adaptor with tunnel diode, 27:10
Lee's views on all-channel progress, 30:8
transistors in uhf tuners, 34:7
action to ease all-channel transition, 35:7
FCC says it will enforce all-channel law, 40:7
Mallory plans detent-type uhf tuner, 42:7
NAEB releases national uhf plan, 45:4
General Instrument charges Industrial Electronic Hardware with tuner "piracy," 47:7; 48:9
set makers say increase for all-channel sets will be buried, 48:7
networks & FCC confer on uhf, 51:4
Japanese get advantage in all-channel law? 52:8

MANUFACTURERS AND MERCHANDISERS

ADLER ELECTRONICS 9:12

ADMIRAL
financial, 12:12; 19:12; 32:12; 46:12
shows 16-in. set in new line, 13:9
ships 11-in. TV, 35:7
studies color tube production, 38:8
winter drop-ins, 50:11

AEROVOX 10:12; 30:12

ALLIED RADIO 12:12; 22:12; 36:12; 52:12

AMPEX
financial, 8:12; 27:12; 33:10; 49:12
offers home TV recorder, 37:10

AMPHENOL-BORG ELECTRONICS 7:12; 14:16; 17:12; 30:12; 43:12

ANDREA RADIO 9:12; 20:16; 32:12; 45:12

ARVIN INDUSTRIES
financial, 9:12; 17:12; 31:12; 44:12
re-enters TV via imports, 30:7

AT&T 8:12; 14:16; 27:12; 46:12

AUDIO DEVICES 14:16; 22:12; 32:12; 47:12

AUTOMATIC RADIO MFG. 21:12

AVCO CORP. 4:14; 13:12; 25:12; 39:12

AVNET ELECTRONICS 7:12; 21:12; 40:12; 46:12

CAPEHART 42:12

CTS CORP. 7:12; 16:12; 28:6; 42:12

CLAROSTAT CORP. 14:16; 34:12; 45:12

CLEVITE 9:12; 19:12; 31:12; 44:12

COLLINS RADIO 10:12; 23:12; 40:12; 42:12;50:12

CORNING GLASS
financial, 7:12; 15:12; 27:12; 43:12
unveils "Shelbond" tube, 23:7; 24:7
"Shelbond" meets wide approval, 36:7

CURTIS MATHES
enters color market, 27:10
plans 11-in. TV, 36:7

DYNAMICS CORP. OF AMERICA 10:12; 31:12; 44:12

EITEL-McCULLOUGH 7:12; 14:16; 18:12; 33:10; 44:12

ELECTRONIC SPECIALTY 16:12

ELECTRO-VOICE 3:12; 24:12; 42:12

EMERSON RADIO & PHONOGRAPH
financial, 4:14; 9:12; 22:12; 36:12
debuts 16-in. TV, 13:9
introduces U.S.-made 16-in. at $99.95, 25:7
1964 line, 25:10
winter drop-ins, 51:12

ERIE TECHNOLOGICAL PRODUCTS (formerly Erie Resistor) 7:12; 14:16; 17:12; 30:12; 43:12

ESQUIRE RADIO & ELECTRONICS 12:12; 34:12

FAIRCHILD CAMERA & INSTRUMENT
financial, 6:12; 17:12; 31:12; 42:12
readies home TV tape recorder, 44:9

FEDERAL PACIFIC ELECTRIC 7:12; 21:12; 40:12; 45:12

GENERAL ELECTRIC
financial, 7:12; 15:12; 28:6; 41:12
plans theater-TV network, 9:3
hit by FTC on co-op ads, 11:10
unveils 11-in. TV at $99.95, 20:8
shows unique stereo products, 40:11
Chmn. Cordiner retiring, Fred J. Borch becomes pres. & chief exec. officer, 41:11
winter drop-ins, 50:11

GABRIEL CO. 7:12; 20:16

GENERAL BRONZE 11:12; 18:12; 31:12; 45:12

GENERAL INSTRUMENT
financial, 2:12; 22:12; 29:12; 41:12
develops transistorized uhf tuner, 14:10
charges Industrial Electronic Hardware with tuner "piracy", 47:7; 48:9

GENERAL PRECISION EQUIPMENT
financial, 7:12; 17:12, 33:10; 46:12
merger talks with Magnavox terminated, 46:11

GENERAL TELEPHONE & ELECTRONICS
financial, 7:12; 16:12; 30:12; 43:12
transmits TV via laser, 8:9

GIANNINI CONTROLS 7:12; 30:12

GIANNINI SCIENTIFIC 18:12

GILFILLAN CORP. 40:12

GLOBE-UNION 9:12; 17:12; 31:12; 44:12

GRANCO PRODUCTS 5:12

GULTON INDUSTRIES 20:16; 26:12; 39:12

HALLICRAFTERS 15:12; 25:12; 45:12; 51:12

HARVEY RADIO 15:12; 24:12; 37:12; 49:12

HAWLEY PRODUCTS 4:14; 23:12; 34:12;46:12

HAZELTINE 10:12; 17:12; 30:12; 43:12

HEWLETT-PACKARD 2:12; 7:12; 10:12; 23:12; 37:12

HOFFMAN ELECTRONICS 14:16; 19:12; 31:12; 45:12

INDUSTRIAL ELECTRONIC HARDWARE
financial, 7:12; 26:12; 36:12; 47:12
charged with tuner "piracy" by General Instrument, 47:7; 48:9

INDIANA GENERAL 7:12; 17:12; 31:12; 44:12

INTERNATIONAL RECTIFIER 7:12; 19:12; 37:12; 40:12; 45:12

INTERNATIONAL RESISTANCE 7:12; 18:12; 29:12; 45:12

ITT 13:12; 19:12; 33:10; 46:12

JERROLD
financial, 20:16; 46:12
Shapp reassumes presidency as Harman resigns, 26:4
FTC dismisses case on indoor TV antenna, 29:10
Shapp to run for U. S. Senate, 49:11

LAFAYETTE RADIO ELECTRONICS 7:12; 21:12; 38:12; 47:12

LEAR SIEGLER 5:12; 18:12; 32:12; 45:12

LING-TEMCO-VOUGHT 10:12; 18:12; 30:12; 45:12

LITTELFUSE 15:12; 17:12; 30:12; 43:12

LITTON INDUSTRIES 10:12; 20:16; 33:10; 44:12; 47:12

LYNCH CORP. (SYMPHONIC)
financial, 14:16; 23:12; 36:12; 50:12
Symphonic's "Der Spiegel" case, 2:11
Symphonic files anti-trust suit against Japanese firms, 29:7

MAGNAVOX
financial, 12:12; 17:12; 30:12; 43:12
1964 line, including color combo at $795, 24:8
franchises 26 Friendly Frost Stores, 26:9
franchises Polk Stores, 28:12
discontinues merger talks with GPE, 46:11
studies private-label deal with Montgomery Ward, 49:11

P. R. MALLORY 5:12; 16:12; 29:12; 41:12

MINNESOTA MINING & MFG.
financial, 9:12; 19:12; 31:12; 45:12
plans new 1964 tape cartridge models, 18:8
cartridge plans, 51:11

MOTOROLA
financial, 11:12; 19:12; 30:12; 43:12
23-in. color tube ready for production, 17:8
debuts 23-in. color in 8-set line, 26:7
not sure of 23-in. tube, Galvin says, 50:8
1963 prospects, 50:11
winter drop-ins, 50:11
shake-up in sales dept., 51:11

MUNTZ TV
financial, 14:16; 28:6; 29:12; 43:12; 52:12
ends Chapter 10, 6:12
pilot-producing 2 color models, 14:14
tube implosion suit, 42:10
projects 1964 color sales of 20,000 sets, 52:12

MUTER CO. 4:14; 15:12; 16:12; 31:12; 44:12

NATIONAL CO. 11:12; 19:12; 31:12; 45:12

NATIONAL UNION 7:12; 19:12; 32:12; 46:12

NATIONAL VIDEO 14:16; 31:12; 38:12; 51:12

OAK MFG. 9:12; 18:12; 31:12; 45:12

OLYMPIC RADIO & TV
1964 line, 23:7

OXFORD ELECTRIC 14:16; 21:12; 33:10; 47:12

PACIFIC MERCURY
financial, 30:12
plans merger with Warwick Electronics, 34:11; 39:12

PACKARD BELL ELECTRONICS
financial, 4:14; 18:12; 30:12; 47:12
1964 line, 23:7
quits EIA, 25:10

PENTRON ELECTRONICS 10:12; 18:12; 40:12; 47:12

PHILCO
settles patent license suit against RCA, 1:7
ends battle with RCA-NBC over WRCV-TV Phila., 3:1; FCC rejects pact, 11:5
earmarks $40 million for consumer products, 4:11
1962 sales approximated $400 million, 6:12
shows new TV portables, 8:7
loses suit for $1 million refund on excise taxes, 12:12
negotiates takeover of John M. Otter companies, 14:14; 25:12
Sandusky, O. employes ask Tariff Commission help; 14:14; petition rejected, 21:9
claims basic color patent, 18:10
shows 1964 line, 20:8
still in red at end of 3rd quarter, 45:10
readies big 1964 push, 51:8
winter drop-ins, 51:12

PHILIPS LAMP 14:16; 35:12; 47:12

POLARAD ELECTRONICS 7:12

RADIO CORPORATION OF AMERICA
financial, 9:12; 16:12; 41:12; 52:12
settles fight with Philco over WRCV-TV Phila., 3:1; FCC rejects settlement, 11:5
ends patent license suit with Philco, 1:7
shows new portable TVs, 8:7
will make Kimcode tubes, 11:7
1964 line with 16-in. TV, 20:8
unveils Pan-O-Ply tube, 25:11
investing $11.6 million to expand color lab, 26:9
stands pat on 21-in. 70-degree color tube, 27:7
drops color price, 33:9
Saxon forecasts RCA's 1964 color volume,40:8
color survey by Elmo Roper, 40:9
winter drop-ins, 49:10
proposes 3-way stock split, 49:12
year-end report on consumer products, 50:8

RADIO SHACK 13:12; 17:12

RAYTHEON
financial, 6:12; 16:12; 31:12; 41:12
closes receiving tube plant, 50:9

REEVES SOUNDCRAFT 10:12; 33:10

HOWARD W. SAMS 4:14; 17:12; 20:16; 34:12; 43:12

SANGAMO ELECTRIC 15:12; 20:16; 48:12

SCHLUMBERGER 11:12; 22:12; 36:12

SEEBURG 8:12

SERVEL 35:12; 51:12

SILICON TRANSISTOR 20:16; 38:12

SONOTONE
financial, 12:12; 18:12; 32:12; 46:12
discontinues tube manufacturing, 46:11

SPARTON 6:12; 35:12; 44:12

SPENCER-KENNEDY LABS, 8:12; 35:12

SPRAGUE ELECTRIC 13:12; 35:12

STANDARD KOLLSMAN INDUSTRIES
financial, 12:12; 19:12; 45:12
Pres. James O. Burke dies, 42:11

STEWART-WARNER 12:12; 17:12; 44:12

SYLVANIA
ships color tube samples, 15:11
sells interest in Golden Shield-Puerto Rico, 16:11
color sets no service problem, Mansfield says, 19:7
new TV line, 23:7
profile on new image, 24:7
one executive killed, others hurt in plane crash, 27:12
survey on dimensions of color market, 37:6; 38:7
closes Brookville tube plant, 46:11
winter drop-ins, 50:11

SYMPHONIC see Lynch Corp.

TECHNICOLOR 38:12; 42:12

TELEPROMPTER
financial, 19:12; 32:12; 45:12
plan to sell 3 divisions hits roadblock, 45:10

TERMINAL-HUDSON ELECTRONICS 14:16; 22:12; 34:12; 46:12

TEXAS INSTRUMENTS 8:12; 16:12; 42:12

THOMPSON-STARRETT (Delmonico) 14:16; 34:12; 47:12

TRANSITRON
financial, 8:12; 20:16; 36:12; 45:12
establishes $5 million fund to settle stock law suits, 1:10

TRAVLER INDUSTRIES 11:12; 30:12; 37:12; 51:12

THOMPSON RAMO WOOLDRIDGE 9:12; 17:12; 30:12; 44:12

TUNG-SOL 8:12; 17:12; 33:12; 44:12

VOCALINE 38:12

WEBCOR 4:14; 49:12

WELLS-GARDNER ELECTRONICS 14:16; 16:12; 46:12

WARWICK ELECTRONICS
financial, 45:12; 47:12
renamed Warwick Electronics from Warwick Mfg., 25:9
plans merger with Pacific Mercury, 34:11; merger completed, 39:12

WESTINGHOUSE
financial, 5:12; 16:12; 29:12; 43:12
becomes 4th company to make Kimcode tube, 5:9
plans retail store, 7:7
1964 TV line, 26:10
Donald C. Burnham elected pres., succeeding Mark Cresap Jr., 29:10
Mark Cresap Jr. dies, 31:10

ZENITH
financial, 9:12; 17:12; 45:11
Truesdell analyzes 1963 business, 13:10
1964 TV line, 22:10
sales to distributors top one million TVs in 9 months, 45:11
Rauland producing color tubes, 45:12
winter drop-ins, including all-channel color TV, 52:11

WEEKLY **Television Digest**

JANUARY 7, 1963

NAB LIBRARY JAN 7 1963

NEW SERIES VOL. 3, No. 1

Albert Warren, Editor & Publisher, 911 - 13th St., N.W., Washington 5, D.C., Sterling 3-1755

David Lachenbruch, Managing Editor, 580 Fifth Ave., New York 36, N.Y., Circle 6-2215

Harold Rusten, Associate Editor, 111 Beverly Rd., Overbrook Hills, Philadelphia 51, Pa., Midway 2-6411

Michael H. Blake Jr., Assistant Editor, Washington. **Charles Sinclair, Contributing Editor,** New York

Arnold Alpert, General Manager, Washington

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

RCA-NBC & PHILCO FINALLY SHAKE HANDS, settling patent fight and battle over Ch. 3, Philadelphia. FCC expected to approve agreement, allowing Boston-Philadelphia station swap (p. 1).

MEANING OF FTC-RATING CONSENTS is, so far, fairly simple: there'll be no sweeping changes made in rating methodology or reporting, but there'll be lots of new explanatory material for buyers (p. 2).

LEE IRKED BY MST UHF CRITIQUE, disagrees with latter's conclusion that uhf is markedly inferior to vhf (p. 2.)

REGULATORY AGENCY STREAMLINING PROPOSED by top-level U.S. Administrative Conference in report to President. Fewer FCC hearings among major recommendations (p. 3).

Consumer Electronics

PUBLIC VIEWS ELECTRONICS VIA BROKERS' EYES: Endless stream of analyses by stock brokerages represent principal source of information about electronics industry & companies for general public (p. 6).

RCA-PHILCO PACT heralds new 'era of good feeling,' ending last major anti-trust litigation against RCA; agreement expected to aid color development (p. 7).

FM SALES CLIMB continues: More than 3 million receiving devices of all kinds sold in U.S. last year; this year's total may reach 4 million (p. 8).

MORE WINTER DROP-INS—New sets by Magnavox, Emerson, GE, Philco & Symphonic (p. 8).

RECORD PHONO YEAR likely in 1962 as result of big Nov. gain; factory sales may reach peak of 4.8 million, distributor sales 4.5 million (p. 9).

MORE TINYVISION & COLOR among imports being shown in Chicago; 2 battery portables from Sharp, 4½-in. flashlight-battery set and 14- & 17-in. color from Delmonico (p. 9).

RCA-NBC & PHILCO FINALLY SHAKE HANDS: Though there's lots of sticky & time-consuming legalities to go through, ancient battle between RCA-NBC & Philco is ended. With agreements announced last week to end patent litigation and with Philco stopping fight for NBC's Ch. 3 Philadelphia (WRCV-TV), it's just a matter of time before WRCV-TV's license is renewed by FCC and station is swapped with RKO's WNAC-TV Boston. Windup could come in 3-4 months. (For significance of patent agreement, see report in Consumer Electronics section, p. 7.)

FCC will have questions to settle before affair is finally wrapped up—but few people believe it will refuse to approve end of fight. Philco agrees to withdraw its application for Ch. 3, NBC paying Philco legal expenses incurred in prosecuting it; sum hasn't been mentioned yet, but $500,000 is considered good guess. Both agree to accept whatever figure FCC decides is "reasonable." This withdrawal is unusual, first time a contestant seeks to pull out of fight for license renewal, getting paid for expenses. All other withdrawals have been where new CP is involved. Heretofore, theory behind FCC's approval of payment for withdrawal is that it hastens start of new station.

Case isn't concluded when FCC approves Philco pullout. It must consider testimony to date on Philco charges that NBC isn't fit licensee because of past anti-trust behavior (pressuring Westinghouse into station swap, etc.). However, no one visualizes Commission holding NBC unfit—which would mean loss of all its o-&-o stations.

It's up to Review Board to pass on Philco withdrawal first. Then, Chief Examiner Cunningham will

issue initial decision, or turn everything over to full Commission for its decision. It isn't known which will be done. There may still be some testimony to come, regarding NBC qualifications, from William Bauer, retired FCC patent counsel who spent many years attacking RCA patent policies.

Papers will be filed by Philco & NBC this week, and it's expected they'll urge these public-interest reasons for calling off fight: (1) NBC can more quickly comply with court decree ordering it to dispose of Philadelphia stations. (2) Philco can devote more corporate energy to building company, increasing employment, etc.

FCC can't wrap up whole affair with lick & promise. Court of Appeals had ordered Commission to conduct hearing on Philco's allegations against NBC, asserting charges were too serious to ignore—after FCC had twice thrown out Philco's protest.

WHAT FTC-RATING CONSENT DEAL MEANS: Buyers and users of ratings, both national and local, went into Madison Ave. tizzy late last week when news of consent orders signed between FTC and 3 leading research firms—Pulse, C-E-I-R (ARB) and Nielsen—began circulating. Research companies admitted bombardment of calls from agencies, station reps, advertisers, film distributors and networks.

What callers generally learned was that there'll be no immediate, sweeping changes caused by settlement of FTC's probe of head-counting in TV & radio. This was situation-at-a-glance:

(1) Present research techniques of all three firms will continue, largely unchanged, as regards sampling methods, final reports, etc.

(2) There'll be "fuller disclosure" of how reports were arrived at, that figures are "estimates" and not precise numbers, and what degree of error may be involved. There'll be more complete cover text (as in case of ARB) and added footnote-type detail (as in case of Nielsen & Pulse).

(3) Burden of honesty has been transferred, to large extent, from research firms to actual buyers. In effect, research firms will tell customers: "Here's your report and here's what it really means. How you use figures is up to you."

This is old industry problem, veteran researchers told us, with nothing new added. Research vp of one TV network told us: "We've always known exactly what we were buying from research companies, so FTC is hardly protecting us. Abuse of ratings is not in computation but in application." Added the research head of a station-group-owned rep firm: "Most TV people usually just want to see a number, preferably one bigger than the competition's."

Research firms were glad to be rid of FTC complaints which, as ARB put it, "appear unnecessarily strict in their requirement for minute detail." (More informally, a Nielsen official told us: "What FTC said would hold against any sampling operation—including those of Dept. of Commerce.") All 3 research firms, however, were quick to cite that "consent does not constitute admission of wrongdoing."

Whether consents will harm individual research firms, or will cause basic changes in research methods under pressure from buyers who have studied FTC complaints, remains to be seen. Some N.Y. talk was generated, for example, by FTC charge that Pulse "adjusts 'Sets-in-Use' figures upward by 20% for morning programs and 40% for afternoon and evening programs without research to justify such adjustment," and that Nielsen and ARB didn't disclose "number or percentage of a sample that refuses or fails to respond or cooperate."

Generally, rating users were waiting to see full details of consent agreements signed by rating firms with which they do business, and to study them before altering present plans.

LEE IRKED BY MST UHF CRITIQUE: Uhf's staunchest advocate, FCC Comr. Lee, last week made it clear he believes Maximum Service Telecasters has badly mauled Commission's report on uhf receiver performance of N.Y. Commission had come up with a right bright summary of uhf results (Vol. 2:57 p3), but MST Exec. Dir. Lester Lindow said uhf is considerably less effective than FCC made it appear.

FCC had found uhf as good as vhf, with indoor antennas, except in 10% of cases. MST said figure should be 50%—basing conclusion on householders' evaluation of picture, whereas FCC had used

technicians' judgment to get the 10%. Said Lee: "The FCC report attaches little or no relative significance to householders' reports vis-a-vis those of the trained technician for the stated reason that it was found very difficult to educate the family circle as to the purpose of the test, to properly operate the receiver, to adjust indoor antennas and to understand the difference between program quality & picture quality."

Then Lee digs in: "But ignoring this aspect for the moment, it is apparent that householders did not record this marked superiority for vhf when one considers that 428 householders rated both Ch. 2 & Ch. 7 pictures to be Grade 3 or better, while 406 householders rated Ch. 31 pictures to be Grade 3 or better. If this supports your contention that householders rate vhf to be 50% superior to uhf, I should have failed 6th grade arithmetic."

As for fact FCC had 78% of sets within 10 miles of transmitter, instead of scattering them uniformly out to 25 miles, Lee said purpose of test was to measure reception in highly congested area.

In light of fact MST helped FCC plan tests, Lee said: "I am greatly surprised that you now raise substantial questions as to the procedures used and of the analysis of results. This is particularly disturbing to me in view of your organization's participation in an advisory capacity and in view of our staff's conscientious endeavor to conduct the experiment objectively and as efficiently as possible."

Lee doesn't let it go there: "In the conclusion of your analysis you state that uhf service is not a substitute for vhf but rather that our report shows the need for vhf & uhf to exist side by side with each other in the same communities. I fail to perceive the manner in which our data would infer any such conclusion. Our tests were designed to obtain information and little else. We had no thought of installing a super uhf station in New York with the primary purpose of making direct comparisons with vhf. It was expected that less than perfect service would be found on uhf but since we have no absolute measure of what is or is not satisfactory, comparisons were required to be made with vhf to find out what the relation might be."

REGULATORY AGENCY STREAMLING PROPOSED: Long-awaited recommendations of blue-ribbon U.S. Administrative Conference have gone to President Kennedy, are available for industry's analysis. Group was established by executive order in April 1961, to scrutinize procedures of govt. regulatory bodies, devise program for improving efficiency.

First recommendation by Conference was that it be established as permanent body by law, with authority to study any agency's procedures, submit findings to President, Congress, etc., as it sees fit. Until law could be passed, group called on President to continue present Conference for 2 years.

Major FCC problem, according to Conference, is too many hearings. Among leading suggestions: (1) Reduce number of comparative hearings by establishing system of priorities under which same applicants would be automatically preferred over others. With 2 or more equally qualified applicants, devise new method of determining winner—e.g., by time of filing. (2) Amend Communications Act to give FCC authority to assure that proposed purchaser of a station will have qualifications equal to those of original grantee. (3) Give hearing examiners maximum authority to decide interlocutory issues in hearing cases, permitting no reviews of such ruling unless agreed to by examiner handling case, chief examiner, or FCC. (4) Commission should publicize & allow some form of public discussion in its formulation of programming criteria.

Ex parte communications received considerable discussion. Conference concluded single code of behavior covering all agencies isn't feasible, suggested each formulate own code.

Delegation of decision-making authority also was urged. Conference recommended initial decisions be considered final without agency review, unless party involved could show decision contained error or prejudice.

Witnesses' right to counsel should be broadened, group suggested. In hearings or other agency proceedings, counsel should be allowed more participation in representation of clients. Persons appearing by request or permission should be granted same right to counsel as subpoened witnesses, Conference recommended.

Copies of report & accompanying letter to President will be available this week from Exec. Secy. Webster P. Maxson, Dir., Office of Administrative Procedure, Dept. of Justice, Washington 25.

CURRENT CAPSULES

There were 2 operating TV satellites in orbit for first time last week, after defects in both NASA's RCA-built Relay and AT&T's Telstar were corrected and successful TV transmissions conducted—both on Jan. 3. Relay, whose power supply had not been functioning sufficiently for wide-band transmission, corrected itself as expected, and 24-min. test pattern was sent & received in U.S., followed by "very clear" reception in France Jan. 4. Telstar's command-decoder was successfully diagnosed and treated from ground with "trick" signal which triggered it into working again. Test was followed by live appearance Jan. 4 of Bell Labs' scientists explaining situation. Discussion was picked up by ground stations in England, France & Italy, and was followed by pictures of French & British communications officials, received in U.S. Operation of Telstar was reported "as good as ever."

CBS has gone to Court of Appeals, 2nd Circuit (N.Y.) to contest FCC's decision that original affiliate compensation plan violates Sec. 3.658(a) of Commission rules (Vol. 2:45 p4). Appeal is not on FCC's "tentative" ruling that CBS's amended plan is still illegal, violating Sec. 3.658(e). CBS contends that FCC is trying to regulate rates, something it isn't empowered to do: that even if Sec. 3.658(a) were applicable, plan didn't "penalize" affiliates for carrying other networks' programs; that "in the guise of interpreting an existing rule, the Commission in substance promulgated a new rule when it held that the CBS TV Network compensation plan was unlawful" without going through proper rule-making procedure.

Order for 15 color-TV Eidophor large-screen projection systems has been received by Theatre Network TV Inc., U.S. distributor for the Swiss-made instruments, in what TNT described as biggest single order for large-screen projection TV in history. Units will be used at U.S. Air Force bases in visual flight simulators being built by Link div. of GPI. The units sold operate on field-sequential color system and will be used in connection with new field-sequential camera developed by Compagnie Francaise Thomson-Houston. TNT has also developed lab models of Eidophor equipment designed to accommodate compatible NTSC color system, but these were not involved in Air Force contract.

Pres. Collins will head NAB witnesses Jan. 7 at opening session of 2-day FCC radio development hearings. Other witnesses: George Hatch, radio KALL Salt Lake City, Carl E. Lee, radio WKZO Kalamazoo, George C. Davis & Jules Cohen, Washington consulting engineers, George W. Bartlett, NAB engineering mgr., Merrill Lindsay, radio WSOY Decatur, Ill., William S. Duttera, NBC. Jan. 8: Robert M. Booth Jr., attorney; Everett Dillard, Commercial Radio Equipment Co.; Rogan Jones, International Good Music Inc.; Lazar Emanuel, Communications Industries Corp.; Lauren A. Colby, attorney; Joseph J. Kessler, WBXM Bcstg. Co.

Specialization in "ethnic" programming seems to be attracting many prospective & new uhf operators. Latest ones are Chicago's WCIU (Ch. 26), due to debut in May specializing in programs for ethnic groups, and N.J. TV Bcstg. Corp. (Ch. 47) New Brunswick, which plans to start in late 1963 with broadcasts of New Jersey interest by day and programming appealing to metropolitan N.Y. minority groups at night.

Va. ETV network plans have been released by state's Advisory Council on Educational TV—calling for 21 stations, supplied by film & tape from 4 production centers. Washington engineering firm of A. D. Ring & Assoc. made survey.

WIBW-TV Topeka can't help finance operation of a Clyde, Kan. vhf translator, FCC ruled. Commission denied request by Clyde Community TV for waiver to allow it to accept $500 donation from WIBW-TV, whose programs it planned to rebroadcast. Extension of a station's service into new area by translator, whether licensed directly or financially supported, would result in increased coverage at relatively little cost and with no responsibility for meeting needs of new community, FCC said. Chmn. Minow & Comr. Hyde dissented.

Revocation of license of radio WBMT Black Mountain, N.C. is proposed by FCC. Commission charged owners with misrepresenting financial qualifications & legal status, concealing fact that partnership had been dissolved, construction & operation of station by persons other than dissolved partnership, false affidavits & statements. Hearing will be held in Asheville.

Kaiser's Ch. 50 Detroit application has been granted; it also holds CPs for Ch. 44 San Francisco, Ch. 52 Los Angeles (Corona), has pending bids for Ch. 38 Chicago, Ch. 41 Philadelphia (Burlington, N.J.). In Santa Fe, proposed grant of Ch. 2 satellite to KGGM-TV Albuquerque has been issued by FCC Examiner Gifford Irion, after competitors dropped out.

"Obscenity" case, denial of license renewal of radio WDKD Kingstree, S.C. (Vol. 2:31 p3), was reaffirmed by FCC last week. It's understood Commission turned down petition for reconsideration, but won't make action public until full text of decision is available.

Kennedy European TV show is being arranged with BBC and French & West German TV-radio networks. Program would be filmed in U.S., following pattern of President's Dec. 17 interview by 3 U.S. networks (Vol. 2:52 p4).

Sale of 58.82% of KLYD-TV & KLYD Bakersfield, Cal. by Lincoln Dellar, Edward E. Urner, Bryan J. Coleman & Maurice St. Clair to Dellar Bcstg. Co. (Dellar & wife) for $117,640 has been approved by FCC.

Personals

Jerome Bess promoted to RKO General Bcstg. exec. vp. . . . **Jules Bergman**, ABC News science editor, named one of outstanding 10 men of the year by U.S. Junior Chamber of Commerce.

Richard Job, London, named ABC International UK sales rep. . . . **Richard L. Chalmers**, ex-radio WNHC New Haven, gen. mgr., appointed an RAB member development dept. regional dir. . . . **Raymond L. Falls Jr.** & **Immanuel Kohn** become members of law firm Cahill, Gordon, Reindel & Ohl.

Merrill A. Trainer named mgr. of RCA's broadcast studio merchandising & engineering dept., succeeding Andrew F. Inglis, recently appointed communications products operations div. vp (Vol. 2:51 p11); Trainer will continue to be responsible for liaison between bcst. & communications products div. and RCA International.

Jules Cohen & Assoc. is new name of Washington engineering firm, as **Paul L. Wimmer & Bernard R. Segal** become partners. On Jan. 14, firm moves to 729 15th St. N.W.

Murry Salberg, ex-WABC-TV N.Y. advertising & sales promotion dir., appointed advertising & promotion dir., WNEW-TV N.Y. . . . **Mary Ann Casey** resigns as KEYT Santa Barbara, Cal. program dir. & women's news editor, no plans announced.

Caywood C. Cooley Jr. promoted to Jerrold Community Systems Div. mgr.

Kendall Smith promoted to WTIC-TV Hartford, Conn. program mgr.

James M. Ward, Colo. U. radio-TV gen. mgr., named to 3-year post as exec. secy. of new Colo. ETV Commission . . . **Larry McHale Jr.**, ex-KALB-TV Alexandria, La. operations & program mgr., appointed WSAV-TV Savannah program dir.

Tracy Thrumston, ex-radio KMAK Fresno, Cal. gen. mgr., named KONA Honolulu local sales mgr. . . . **John Petty** promoted to KPTV Portland, Ore. asst. sales mgr. . . . **Peter F. Gallagher** promoted to WNHC-TV New Haven, sales development mgr.

Obituary

Sen. Robert S. Kerr (D-Okla.) 66, chmn. of the Aeronautical & Space Committee, died of heart attack in Washington Jan. 1. Often called "uncrowned king" of the Senate, he was prime mover in passage of many bills, including last session's communications satellite measure. He was born in a log cabin in Ada, Okla., then Indian territory, in 1896, rose to prominence in industry as well as politics. He owned 50.6% of WEEK-TV Peoria & WEEQ-TV La Salle, Ill., 13.1% of KVOO-TV Tulsa. His widow, 3 sons, a daughter survive.

Dick Powell, 58, long time film star and chairman & former pres. of Four Star Films, died of cancer in Hollywood Jan. 2. He began career as movie song-&-dance man in early 1930's, later switched to mystery roles. After hosting *Zane Grey Theater* on TV for number of years, he formed Four Star with David Niven, Charles Boyer (Tom McDermott later). He also was host of his own anthology series. His widow, actress June Allyson, son & daughter survive.

Col. James H. Steinman, 76, co-owner of Steinman Stations (WGAL-TV & WGAL Lancaster, Pa., radios WDEL Wilmington, Del., WORK York, WKBO Harrisburg, WEST Easton, WRAK Williamsport, all Pa.) and co-publisher of Lancaster newspapers, died there Dec. 31. He was treas. of American Newspaper Publishers Assn. at time of his death. During World War II, he was director of War Production Board printing & publishing div.

Mrs. A. J. Fletcher, 78, wife of owner of WRAL-TV Raleigh, died of cancer in Raleigh Jan. 2. Survivors include 3 sons—Fred, mgr. of WRAL-TV; Floyd, mgr. of WTVD Durham; Frank, Washington communications attorney—and daughter Mrs. Ray Goodman, Raleigh.

Alfred G. Burger, 53, exec. officer & co-owner of WICS Springfield, Ill. and WHNB-TV Hartford, Conn., died of heart attack in N.Y. Dec. 27. He also was founder of Telenews Productions. His widow, 2 sons, survive.

———■———

"Discrimination" & "bigotry" charges were leveled against NBC by a Montgomery, Ala. newspaper after Gov.-elect George C. Wallace was banned from a telecast. *Advertiser-Journal* made charges in an editorial after segregationist Wallace claimed NBC personnel refused to admit him to TV booth at halftime of Blue-Grey football game Dec. 29. He said he was invited to appear by one of game's sponsors. "Wallace was cut off the air as an act of censorship by NBC bigots because of his challenge to the rulings of the U.S. Supreme Court," newspaper asserted.

NAB Public Service Institute will be held Feb. 7-8 in Washington, in cooperation with American U. It's designed to acquaint non-profit groups with advantages & problems in use of TV & radio. Sessions include classroom instruction at A.U.'s Communications Center, field trips to WRC-TV-AM-FM Washington & radio WAVA Arlington. William Ruder, pres. of Ruder & Finn PR firm and former Asst. Commerce Secy., speaks at Feb. 7 banquet, NAB Pres. Collins at Feb. 8 luncheon.

Proposal to require stations to donate time at cost to candidates made by FCC Chmn. Minow in Dec. 29 *TV Guide* (Vol. 2:53 p5) brought quick criticism from *Washington Daily News*. "If any political candidates go 'into hock' it is on their conscience," *News* editorialized, "any FCC regulations requiring stations to give free time to politicians would be presumptuous and pre-emptory. . . . The voice of bureaucracy is rarely the voice of the people. It is merely the voice of bureaucracy."

WREC-TV & WREC Memphis have been sold for $8 million by founder & sole owner Hoyt B. Wooten to Cowles Bcstg. Cowles also owns KRNT-TV & KRNT Des Moines, *Look* magazine and other publications. Members of Cowles family also have interest in KTVH-TV Hutchinson-Wichita, Kan., WCCO-TV & WCCO Minneapolis through Minneapolis Star & Tribune Co.

Ghana will place $8.4 million contract with Marconi Co. for 3-station TV system & extension of radio network. Plan calls for TV stations at Accra, Kumasi & Sekondi-Takoradi, studio complex at Accra, radio station at Ejura. Microwave system will be set up between Accra, Kumasi & Ejura.

Federal Communications Bar Assn. annual banquet will be held Jan. 25 at Sheraton-Park Hotel, Washington—Gene Krupa Jazz Quartet and singer Hildegarde entertaining.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

PUBLIC VIEWS ELECTRONICS VIA BROKERS' EYES: For large segment of public, principal source of information about electronics industry—and evaluation of individual companies—is endless stream of surveys & analyses offered by major stock brokers. For outside look at electronics industry, as seen through eyes of financial specialists, we culled Nov.-Dec. offerings in our weekly "reports & comments" listings, came up with these observations:

"Consumer electronics industry is having one of its most profitable years in more than a decade," reported Thomson & McKinnon. "Consumer buying, stimulated by the acceptance of color TV, could reach $2.2 billion in 1962, compared with $2.08 billion in 1961. We project a further although modest gain in consumer electronics volume in 1963. Entertainment communications systems will probably account for the bulk of volume, but other electronically-controlled equipment, such as appliances, will command a rising percentage of consumer spending." Broker noted that color TVs "are being aggressively pushed," concluded 1962 sales "could reach 400,000 vs. 175,000 last year, and the figure might reach 800,000 in 1963."

Electronics buying by govt., Thomson & McKinnon said, has "been estimated at approximately $8.2 billion for 1962, some 17% over 1961." With "huge growth of the space effort" total "govt. demand could rise by 50% in the next 3 years."

RCA, analyzed Shields & Co., "will consider 1962 as a year of progress—mainly in the improvement of its profit margins." RCA sales in 1951-61 period increased 144%, but "net earnings have shown only a 10% rise." However, Shields emphasized, "after years of steadily rising volume but unchanged or declining earnings, RCA reversed this trend in the first 9 months of 1962," when net income per share rose 46% on a 16% sales gain. Explaining reasons "behind this improvement & why we feel this will continue," Shields noted "color TV is now in a money-making stage, era of extraordinary development expenditures seems to be coming to an end," data-processing costs have been reduced. "It is estimated that RCA lost 60¢ a share on data-processing in 1960 and 80¢ in 1961." Losses in 1962 "will be under 40¢ and a breakeven point should be reached in 1963." Looking ahead, Shields noted "good possibility" of per-share earnings of "$3.15 or better" in 1963 (vs. estimated $2.75 in 1962) & "possibly $4 per share by 1964."

Sylvania, noted Dean Witter & Co., has been a drag on GT&E earnings, but better times are coming. "While considerable time will be required, the GT&E management is intent on improving Sylvania's profitability and has set 4.5-5% of sales as a minimum profit margin goal," broker said. Sylvania's profit margin slipped to 1.1% in 1961 from 2.9% in 1960. Dean Witter emphasized that GT&E "has just projected 1962 net for Sylvania will be up some 40-45%—to around $8 million from $5.6 million in 1961, which included a $1 million surplus adjustment." Sylvania accounts for some 60% of GT&E's manufacturing group sales and divides its volume roughly 70% commercial & 30% defense. Concluded Dean Witter: "GT&E is in good financial condition. At the end of 1961, the current ratio of assets to liabilities was 1.39:1. . . . Sylvania had a current ratio of 2.7:1." Sylvania, "for the future, offers a twofold opportunity — above average growth in the dynamic electronics markets & improved profits through potentially higher margins."

Zenith, "aided by its emphasis on high quality products, is the largest maker of TV sets," reported Thomson & McKinnon. "Despite keen competition Zenith accounts for some 20% of industry volume." Broker noted experimental operation of "Phonevision," termed prospects "uncertain," said "profits might not accrue to Zenith for several years." Conclusion: "Zenith's record of outperforming the industry & its bright long range outlook makes it attractive for purchase. Finances are strong. Capitalization is simple, no funded debt, no preferred stock, only 9,038,177 shares of capital stock."

Motorola "restricted results in 1961" through entry into new fields but increased its "potential for the

long pull," Thomson & McKinnon noted, adding: "For example, Motorola has become one of the 4 principal companies in semiconductor physics & these lines may account for more than $50 million in sales in 1962." Consumer electronics at one time comprised bulk of Motorola sales but "now account for about half of volume." Conclusion: "Share net for 1962 is estimated at $3 vs. $2.36 last year. Finances are strong."

Magnavox "has an excellent growth record stemming from its success in concentrating on quality products & a marketing system which requires direct dealing between the company & a group of . . . carefully selected retailers," same broker reported, adding: "Magnavox's sharply increased military & industrial electronic sales in recent years now account for some 40% of sales but consumer lines still provide approximately 75% of the company's profits." Magnavox's "share net for 1962 is officially estimated at $1.75, up from $1.26 in 1961."

International Resistance "is a major, if not leading, factor in all types & grades of resistors," emphasized W. E. Hutton & Co. IRC sales "go roughly 20% to consumer markets, 30% to industry, 25% to govt. contractors & 25% for replacement. All product lines are profitable, including the high volume items that sell for less than 2¢ each." Continued accolade: "Within the past 4 years, IRC has doubled its sales, quadrupled its profits and increased its dividend payments annually. At the same time, capital spending has moved up substantially & company sponsored R&D has been established at about 15% of sales." Conclusion: "Starting with a strong profit position as the leading factor in its industry, and possessing the technology to maintain & improve its over-all position in electrical/electronic components, IRC should continue to record gains in future years in expanding markets."

"Elimination of losses from its electronics division [sold in mid-1961], plus continued rapid growth of its broadcasting & records divisions, has paved the way for a dramatic increase in earnings this year for CBS," noted Abraham & Co. Per-share earnings in 1962 are expected to reach $3.20 vs. $2.47 in 1961 and "rise to around $3.70 in 1963." Broker said "sale of electronics division has had the additional benefit of improving the company's financial position. It is estimated that CBS has about $30 million in excess working capital available for acquisitions, which course is being actively pursued."

These comments reflect industry image being painted for public by stock brokers. We will continue our analysis of their analyses in future issues.

RCA-PHILCO PACT—NEW 'ERA OF GOOD FEELING': Agreement ending Philco's 6-year-old patent license suit against RCA stills the last echoes of an age when RCA, through its immense patent pool, was landlord of entire TV-radio industry. Terms appear to benefit both parties. (For discussion of settlement of dispute over NBC's Philadelphia Ch. 3, see p. 1.)

Agreement seems to mark beginning of new "era of good feeling" toward RCA by rest of industry. For first time in many years, RCA has no major anti-trust litigation pending against it.

Under terms of pact, Philco's $150 million suit against RCA, and RCA's $174 million patent infringement suit against Philco and Ford are withdrawn, neither party paying damages. RCA pays Philco $9 million for non-exclusive licenses to all present Philco & Ford patents relating to radio, TV (including color), transistors & data-processing equipment, and is free to use future Philco color TV patent for next 5 years.

Philco & Ford receive similar rights to RCA patents in same fields, except that color patents cover principally those issued before Oct. 28, 1958, date of govt. anti-trust consent decree which broke up RCA patent pool practices. Ford & Philco must pay same as anyone else to use later RCA color TV patents.

Philco's Jan. 1957 anti-trust suit was aimed primarily at RCA patent pool practices (Vol. 13:3 p2), which were largely abandoned after RCA's settlement of Zenith's 11-year old suit in Sept. of same year (Vol. 13:37 p1) and were formally ended the next year when RCA & Justice Dept. signed consent decree (Vol. 14:44 p1). Ford Motor Co. inherited suit when it purchased Philco last year, switched emphasis to alleged RCA color monopoly.

Philco has based many of its charges in pre-trial testimony & briefs on RCA color practices—and color figures prominently in settlement. One major difference in the patent exchanges agreed upon last week by the 2 parties involves color patents; RCA gets all of Philco's present patents and some future ones, whereas Philco's rights to RCA color patents are limited.

Implications for color are large. Settlement seems to establish a patent position in color TV for Philco. Philco has always claimed it had some basic color patents. Also among its patents are those on "Apple" receiver & tube which now become available to RCA. Agreement clears air in color patent dispute, may foster new technical developments.

Philco is certain to step up color activity now. Possibly because of pendency of suit, it had not been making own color receivers—but, paradoxically, was buying complete color sets from RCA. Now, with RCA color patents available to it, and with its own patent position recognized, Philco is free to go into wholehearted manufacture and sale of color sets—and it's a good guess it will do so with minimum of delay. Entire medium of color should benefit—and what helps color helps RCA (including RCA tube div. & NBC).

Philco's original suit also named GE and AT&T as defendants and is still pending against them. It's logical to assume that this dispute will also be settled.

FM SALES CLIMB CONTINUES STEADILY: More than 3 million FM radios—of all types—were sold in U.S. last year. This year should set another new record, adding 4 million more to FM sets-in-use.

Slow & steady momentum which began in 1958 is continuing, aided by FM stereo and other such relatively new developments as clock & auto FM radios. FM stereo, as expected, is making its biggest impact in phono field, where 50% of consoles with FM are now being sold stereo FM-equipped.

Few definitive figures on FM receiving device sales are available, and many estimates merely verge on guesses. Nevertheless, we've prepared table tracing growth of retail FM radio sales by type of end-equipment. We believe these figures to be conservative:

Type	1959	1960	1961	1962	1963 (est.)
Table radios	540,500	904,800	915,300	1,250,000	1,400,000
Clock FM radios	——	——	90,000	100,000	130,000
Phonos with FM	623,000	700,000	850,000	1,200,000	1,400,000
TV-FM (phono) combos	100,000	120,000	160,000	180,000	220,000
Component tuners	180,000	200,000	240,000	300,000	350,000
Auto FM sets	——	——	——	55,000	100,000
Imports (all FM types)	100,000	120,000	140,000	230,000	300,000
Total	1,543,500	2,044,800	2,395,300	3,315,000	3,900,000

FM stereo sales have been mounting slowly, accounting for about 25% of all FM device sales in 1962, and expected to mount to nearly one-third in 1963. Only areas where FM stereo has made major impact so far are phono, TV combination & component tuner field.

MORE WINTER DROP-INS: Additional new sets—some notable, some promotable — were being shown this week at distributor open-houses and at Chicago's International Home Furnishings Market. Among new announcements:

Magnavox indicated it would unveil a score of new TVs & stereos in Chicago this week, but at week's end few details were available. It was known that 11 stereo models would be premiered in Early American & Colonial styling with cherry & maple finishes, starting at $159 and topped by 24-in. combo at $650. Group will include 2 transistorized Astro-Sonic consoles, at $495 (30 watts MPO) & $595 (100 watts).

Emerson is introducing what is believed to be first portable stereo phono with FM stereo ($149.95 & $169.95). It also is showing its first 16-in. set ($129.95), 19-in. table model at $139.95, all-channel 19-in. at $159.95, lowboy console at $199.95, drop-down portable stereo phono at $99.95.

GE is stressing bright-colored cabinets (such as green, turquoise, platinum) in new 10-in. sets designed to retail in $139-&-up range. Promotional 19-in. portable is offered with roll-around stand at about $139.95. New 23-in. upright console is designed for pricing in $199 range.

Philco is dropping in new lower priced 16-in. Courier portable, eight 23-in. consoles & two 23-in. table models, as well as several radios. Prices were not available.

Symphonic is inaugurating 5 new stereo consoles, all with diamond needle, starting at $119.95 and including 10-speaker model at $159.95, with AM-FM-equipped units at $179.95 & $199.95, stereo-FM phono console at $249.95. Each has $10 step-up cabinet wood option.

Packard Bell will show new sets to distributors Jan. 11-12 in Santa Monica, with distributor showings scheduled for the next 3 weeks.

NOV. SALES POINT TO RECORD PHONO YEAR: Reports of really great Nov. sales now have phonograph industry pointed straight at an all-time record in 1962.

Preliminary & unofficial sales estimates indicate that Nov. 1962 was biggest single month for distributor-to-dealer sales in at least 3 years, and that 11-month factory sales were high enough to forecast their total for 1962 may reach all-time peak of 4.8 million.

Factory sales for Nov. were understood to total about 667,000, up more than 33% from the 500,000 of Nov. 1961, and bringing 11-month total to approximately 4,363,000. Distributor sales totaled around 633,000, more than 31% higher than Nov. 1961 figure, for 11-month total of 3,977,000, bringing 4.5-million total well within range for full-year 1962.

For first 11 months of 1962, incidentally, almost 50% of all consoles with radio were equipped with FM stereo. Of total of about 1.1 million phono-radio combinations, 534,000 had multiplex tuners.

IMPORTS—TINYVISION, COLOR: Interesting array of new tinyvision imports—including 14-in. color and first TV to operate from flashlight batteries—is greeting visitors to Chicago for International Home Furnishings Show this week.

First Sharp (Hayakawa) battery portables are being displayed—a 6-in. at $199.95 and 8½-in. at $229.95, battery costing $24.95 extra in both cases. Conventional sets shown by Sharp at Conrad Hilton Hotel are 12-in. (no price announced), 16-in. sets at $109.95 & $119.95, and 19-in. table models at $129.95 & $139.95. Sharp sets are beginning to arrive in U.S. in quantity, and it's believed about 5-6,000 are now on hand and ready for distribution.

The flashlight-battery set is Delmonico's 4½-in. receiver made by Victor of Japan, with $149.95 list. It operates from 9 flashlight batteries or house current. Another Delmonico set, being shown at Merchandise Mart, is 5½-in. at $179.95 plus $20 for rechargeable battery. Both tiny sets are scheduled for March delivery. Delmonico will also show 16-in. sets, starting at promotable $99.95. It will demonstrate 14-in. color set at $399 list and 17-in. color (no list).

October factory sales of TV picture tubes slipped sharply in units & dollars from Oct. 1961. EIA also reported unit volume of receiving tubes down, but dollar value gained. TV picture tubes declined in unit sales to 879,588 from 912,281 in Oct. 1961. Dollar value fell to $16,678,099 from $18,000,957. Cumulatively, unit & dollar sales lagged behind 1961's Jan.-Oct. totals by some 100,000 units & $7.9 million. Receiving tube unit sales slipped in Oct. to 32,257,000 from 32,480,000, but dollar value increased to $26,440,000 from $26,155,000. On 10-month basis, sales trailed year-earlier cumulative volume by 7.2 million units & $4.5 million. Here are EIA's figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	802,061	15,625,304	29,592,000	24,789,000
February	733,670	13,944,313	27,977,000	23,841,000
March	817,830	15,580,149	34,884,000	29,743,000
April	758,539	14,253,425	31,016,000	25,838,000
May	703,255	13,676,659	30,841,000	25,802,000
June	740,788	14,252,844	29,649,000	24,587,000
July	565,022	11,064,357	24,122,000	19,612,000
August	795,121	15,035,830	34,646,000	29,222,000
September	866,512	16,537,417	31,640,000	25,327,000
October	879,588	16,678,099	32,257,000	26,440,000
Jan.-Oct. 1962	7,662,386	$146,648,397	306,168,000	$254,941,000
Jan.-Oct. 1961	7,761,642	154,557,278	313,318,000	259,453,000

Trade Personals

Frank B. O'Brien resigns as Seeburg pres. & treas.; Delbert W. Coleman, chmn. & chief exec. officer, also becomes pres.

Richard D. Kennedy, former ad & sales promotion mgr., named to new GE Receiving Tube Dept. post of sales mgr., home convenience products, in charge of sales of receiving tubes to home entertainment equipment manufacturers . . . Howard E. Harry, ex-Minneapolis-Honeywell, appointed chief engineer, Zenith military engineering div.

George R. Simkowski named Webcor Sales Co., pres., a new post, succeeded as Webcor Div. sales mgr. by Charles Dwyer.

Joseph D. Ceader, Oxford Electric chmn., also named pres.; Leon Sadacca named exec. vp; David E. Davis elected electronics div. operations vp.

Herbert B. Hershfield named national sales mgr. of Ampex's United Stereo Tapes div., succeeding Richard Blase, resigned; John Spellman, operations mgr., also appointed ad & sales promotion mgr.

Herbert W. Pollack appointed pres. of Polarad's electronic instruments div., Frank J. Skwarek, pres. of Radiometrics div., both new operations . . . William R. Heckman appointed ITT personnel dir.

Bernard Walley named West Coast microwave engineering operation mgr. by RCA Tube Div.

Distributor Notes: Webcor Sales names Ray Ferguson mgr. of Chicago office, succeeding Charles Dwyer • Steelman Electronics appoints National Functions Corp., Valley Stream, N.Y., mktg. rep. in U.S. & Puerto Rico for phonograph line.

Philco's defunct "Instant Dividend" program (Vol. 2:9 p7) made news in Pittsburgh again when federal judge John L. Miller enjoined Appliance Associates Inc. & Melvin S. Landow from infringing Philco Finance Corp.'s copyright. Philco filed infringement suit when defendants published plan entitled "Appliance Bonus Membership Form."

Uniform labeling of TV & FM sets, to show they comply with FCC radiation limitations, won't be required by Commission. It decided to call off its proposed rule-making. However, it again said it "admonishes purchasers against buying FM & TV receivers which have not been certificated."

AT&T posted record earnings of $1,384,252,000 on peak sales of $8,941,594,000 in 12 months to Nov. 30. In year earlier period, AT&T earned $1,271,086,000 on $8,368,960,000 sales. Sharp sales & profit gains were recorded in quarter to Nov. 30. Sales climbed to $2,269,349,000 from $2,150,421,000 in Sept.-Nov. 1961. Earnings rose to $347,352,000 from $329,657,000. Chmn. Frederick R. Kappel said earnings were not increased by tax credits on equipment purchases as authorized by Revenue Act of 1962. "In our opinion, this credit should be accounted for as a reduction of the cost of the construction that gives rise to it," he said, "and not as an increase in profit in the year when the new equipment is acquired."

GTE showed record sales & earnings in 1962, Chmn. Donald C. Power notified stockholders, adding: "Despite the somewhat unsettled nature of economic conditions, we believe that our revenue, sales & earnings will continue moving ahead to new records" in 1963. Sales & revenues climbed some 8% to more than $1.3 billion from 1961's $1.227 billion. Profits, he estimated, rose about 15% to more than $85 million from $73.8 million. Manufacturing sales also set record. Assets increased to more than $2.5 billion from $2.4 billion at 1961's end.

ITT netted record income in 1962 as sales rose 15% and topped $1 billion for first time. Pres. Harold S. Geneen predicted profit's "upward trend" would continue in 1963. He estimated 1962 sales at $1.066 billion—up from 1961's record $930.5 million. Backlog at year's end was 6% ahead of year-earlier's $731 million. Geneen said ITT's 1963 R&D spending will top $157 million, noted company will continue "its active program of acquisitions."

Transitron Electronic will establish $5 million fund to settle lawsuits filed by several mutual funds & other stockholders if U.S. District Court in Boston approves at Jan. 28 hearing. Suits charge Transitron with "false & misleading" statements filed with SEC in connection with public stock offerings in 1959 & 1960. Chmn. Leo Bakalar & Pres. David Bakalar will furnish $5 million for distribution to qualified claimants, but "deny any liability." They said "our prospectuses were honestly & carefully prepared, but we want to dispose of the lawsuits so that we can build up the company in the future without being distracted by litigation."

GE has made gift of its $1.9 million Anniston, Ala. plant & 116-acre tract to Anniston City Commission. GE announced plans in Nov. to close vacuum tube production plant (Vol. 2:47 p9), has been unable to sell or rent it. Requirement that Anniston use plant for "a public purpose" & not sell it for 5 years may indicate GE plan to deduct book value of property as charitable contribution for tax purposes.

Citroen Electronics, Los Angeles tape recorder manufacturer, has been re-named Freeman Electronics, reported Chmn.-Pres. Eugene Freeman. Company will continue Citroen brand.

EIA has defined 134 terms used in design & manufacture of closed-circuit TV. Copies of bulletin are available at $2 each from EIA Engineering Dept., 11 W. 42nd St., N.Y. 36.

Commercial nuvistor tube — RCA's 12th — has been added for use as RF amplifier tube in multiple antenna systems & antenna-system booster-amplifiers.

New antenna designed for color, the "Color Guard," has been introduced by TACO at $17.95 list.

Factory transistor sales in Oct. & year to date continued familiar pattern: ahead in units from year earlier, down in dollar value. EIA reported Oct. gain in unit sales to 20,905,793 from Oct.-1961's 18,232,530. Dollar value sagged to $24,001,640 from $24,018,037. Jan.-Oct. sales soared to 200,303,304 units vs. 154,407,230 in 1961's first 10 months. Dollar value slumped to $242,573,551 from $250,620,519. Here are EIA's figures:

	1962		1961	
	Units	Dollars	Units	Dollars
January	17,238,376	$ 21,459,598	12,183,931	$ 22,955,167
February	20,239,880	24,151,155	13,270,428	25,699,625
March	22,932,655	28,202,422	15,129,273	29,815,291
April	19,621,048	25,097,960	15,072,064	27,388,278
May	21,217,919	24,951,738	15,128,181	25,113,042
June	21,776,037	26,374,356	17,899,005	26,148,746
July	15,434,205	19,476,017	11,227,388	17,506,011
August	20,369,281	24,128,668	17,193,860	25,155,627
September	20,568,110	24,729,997	19,386,202	27,220,248
October	20,905,793	24,001,640	18,232,530	24,018,037
Totals	200,303,304	$242,573,551	154,407,230	$250,620,519

Reports & Comments: **Taft Bcstg,** report, Goodbody & Co., 115 Broadway, N.Y. 6. • **Hallicrafters,** review, Sincere & Co., 231 S. La Salle St., Chicago 4 • **Thompson Ramo Wooldridge,** brief, Cohen, Simonson & Co., 25 Broad St., N.Y. 4.

Ampex expects fiscal-1963 sales to jump more than 10% over $84.1 million volume of fiscal 1962, ended April 30. Pres. William E. Roberts also forecast "substantially greater increase" in profits. "All divisions are showing excellent increases in sales & earnings," he said. Ampex has introduced 15 new products since start of new fiscal year, will add 10 more by April. More than $9 million have been earmarked for R&D activities in fiscal 1963.

Texas Instruments has slated special stockholders meeting Jan. 21 to seek authorization to grant new stock options for those outstanding. Internal Revenue Code permits new options on current market prices if monthly stock price over 12-month period averaged less than 80% of option's initial price.

Pre-Publication Orders for Factbook No. 33

Orders are now being taken for the 1962-63 *Television Factbook.* Beginning with this new upcoming issue, based on last year's greatly expanded format, the book will be published once a year only—not Spring and Fall as in past years. The new *Television Factbook* will again provide station area coverage at a glance—contour maps of all commercial stations as filed with the FCC, showing Grade A & Grade B coverage. On the same page for the station will be published American Research Bureau's: (1) Total net weekly circulation. (2) County-by-county total households, TV households and percentages of TV-set penetration. These figures, presented in tabular form, will also be shown graphically in tone on each map. In addition, extensive space will be devoted to the other regular features that have made this comprehensive book since 1945 the industry's leading marketing and reference work. Pre-publication copy price is $12.50; 5 or more, $10.50. Regular price after publication, $15.00; 5 or more $12.50. To take advantage of pre-publication savings, write: Dept. 12, Television Digest, 911-13th St., N.W., Washington 5, D. C.

NAB LIBRARY JAN 14 1963

WEEKLY **Television Digest**

JANUARY 14, 1963 NEW SERIES VOL. 3, No. 2

Albert Warren, Editor & Publisher, 911 - 13th St., N.W., Washington 5, D.C., Sterling 3-1755
David Lachenbruch, Managing Editor, 580 Fifth Ave., New York 36, N.Y., Circle 6-2215
Harold Rusten, Associate Editor, 111 Beverly Rd., Overbrook Hills, Philadelphia 51, Pa., Midway 2-6411
Michael H. Blake Jr., Assistant Editor, Washington. **Charles Sinclair, Contributing Editor,** New York

Arnold Alpert, General Manager, Washington

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

CONGRESSMAN HAIL FTC'S RATINGS ACTION. Senate & House Commerce Committee members call for better testing methods. No comment from Harris (p. 1).

COMPROMISE ON CATV LAW POSSIBLE, as several operators approach FCC with suggestions, willing to give somewhat—to get protection from state & local moves (p. 2).

'UHF UNDERDEVELOPMENT' CONFERENCE may be called soon by FCC. EIA's Sandwick suggests inviting all interested govt., telecasting, manufacturing, educational groups (p. 3).

TIGHTER REINS ON NEW AMs likely after FCC-industry conference. Commission expected to sharpen engineering standards, insist on well-financed applicants—but not to delve into rate structure, etc. (p. 3).

AD SPENDING IN TV keeps right on growing, with TV drawing larger share of total ad spending in 1962 than it did in 1961, according to TvB figures. Networks expect strong sales year in 1963 (p. 3).

'FILM TWIN' FOR TAPE made possible by combined 'Gemini' film & tape camera of MGM Telestudios, designed to eliminate need for kines of taped commercials (p. 5).

MORE SPACE TV FIRSTS: RCA's suddenly-revived Relay sends pictures of Mona Lisa unveiling to Europe, nearly penetrates Iron Curtain. Telstar working fine (p. 5).

PACIFICA DENIES RED TIES: Senate Internal Security Subcommittee probers told non-commercial radio chain isn't influenced by Communists (p. 6).

Consumer Electronics

MANUFACTURERS DECRY CONSIGNMENT plans for dealers, have no plans to follow sales & display programs of GE & Westinghouse; latter will soon open Toledo & follow with 4th test city 'in midwest' (p. 7).

'PACKAGE' HI-FI definition submitted to FTC by EIA without recommendation; violent objections by component hi-fi enthusiasts may scuttle FTC hopes for legal definition (p. 9).

1962 TV PRODUCTION—6,484,501 b&w sets, highest since 1956; radio output 2nd only to 1947; car radios set all-time record (p. 9).

SPIEGEL TO REVISE price of $79.95 TV in next catalogue, averting international incident over pricing of Symphonic set (p. 11).

MAGNAVOX'S RECORD 1962: Sales climbed 43½% to $202 million for 5th consecutive record-setting sales year; earnings rise was proportionate to sales gain (p. 12).

CONGRESSMEN HAIL FTC'S RATINGS ACTION: Federal Trade Commission's crackdown on big 3 TV ratings organizations (Vol. 3:1 p2) predictably brought plaudits from members of Senate & House committees whose probes started whole thing.

Consent agreements between FTC and Nielsen, ARB & Pulse was direct result of hearings by Senate Commerce Committee, which sent findings to FTC, with instructions to do something (Vol. 14:26 p2).

Commerce Committee Chmn. Magnuson (D-Wash.) told us FTC's action was "important step that should lead to a more meaningful use and understanding of ratings." He said he'd be watching services closely to make sure they live up to agreements. Sen. Monroney (D-Okla.), one of most insistent critics of ratings, expressed hope that sponsors, agencies & networks now would come forward with "demands for better testing methods." He called Commission's action "a step forward" in campaign to alert public to the "tiny samplings and doubtful yardsticks used on Madison Avenue to decide what TV shows Americans shall watch." Committee members McGee (D-Wyo.) & Hartke (D-Ind.) expressed similar sentiments. Latter, how-

ever, conceded that "small percentage of inaccuracies" is inevitable because of large number of factors involved in making surveys.

House Commerce Committee Chmn. Harris (D-Ark.) wouldn't comment about either FTC's action or his own Regulatory Agencies Subcommittee's 1½-year-old investigation into same subject (Vol. 2:53 p1). However, he's expected to hold his own ratings hearings this session.

COMPROMISE ON CATV-CONTROL LAW POSSIBLE: FCC, telecasters & CATV operators may be coming to meeting of minds on federal CATV-control legislation. Though National Community TV Assn. still maintains "no-law" position, some prominent operators have been feeling FCC out.

Objective of CATV forces is to get law they can live with—and get FCC "umbrella" to protect them from possible onerous state & local regulation. In lawyers' language, they want federal govt. "to preempt the field" as it does in broadcasting.

Our impression is that Commission isn't inclined that way, at the moment, and that FCC also wants to give station operators greater protection against duplication of their network-originated programs than CATV seems willing to go for. For example, Commission, in proposing rules regarding microwaves to serve CATVs, wants to prohibit duplication by CATV 30 days before or after local station carries program. CATV interests keep plumping for prohibition of simultaneous duplication—only.

FCC has made CATV legislation its prime request of Congress. At this writing, there's simply no judging what kind of compromise, if any, will emerge. FCC is fairly adamant, believes it has strong hand because of CATV's growing concern over state & local moves to regulate. CATV forces, on other hand, feel they have the "absolute weapon" in Rep. Harris (D-Ark.), chmn. of Commerce Committee, whose public opposition to CATV legislation is stronger than any position he has ever taken in TV-radio. Here are excerpts from his speech at NCTA convention last year (Vol. 2:26 p2):

"FCC cannot regulate CATV as a common carrier. . . . No action has been taken [on a CATV bill] and none is contemplated. . . . The problem can no longer be regarded as acute. . . . Some cities or counties seem to be attempting to regulate through insistence upon non-duplication agreements [but] I would expect that CATV operators will not permit a host of divergent & conflicting local regulations to spring up. The pertinent court decisions in these matters should be brought to the attention of the local authorities and their jurisdiction should be challenged in the courts, if necessary." (You might ask him for full text.)

• • • •

Another decision adverse to CATV was handed down by FCC late last week when it granted 4 vhf translators in Claremont, N.H., over objections of CATV operator Bellows Falls Cable Corp. Translator applicant Claremont TV Inc. had asserted that chances of interference to CATV's pickups were negligible—and that CATV could use translator signals if interference proved greater than expected and ineradicable.

Commission went along with translator applicant's argument—and went further. It asserted that its translator rules were meant to protect individual set owner's reception—not CATV's. Commission said CATV operator has "remedies available to him to avoid or reduce interference which are unavailable to the individual"—such as moving receiving antenna or using microwave to pipe signals in from long distances. "This does not mean, of course," Commission said, "that the Commission will close its eyes to any and all instances in which the establishment of a translator would cause interference to the reception of broadcast signals by a CATV system." Commission said it wouldn't be happy if translators deliberately interfered with CATV.

"We recognize, of course," FCC went on, "that if the CATV system suffers interference from the vhf translators, the direct reception by CATV subscribers will also suffer. However, this does not necessarily mean that the subscribers to the system will lose all service, inasmuch as the CATV system can also pick up the vhf translator broadcast signals. In addition, the CATV subscribers will be able to receive the direct broadcast signals from the translators like any other viewers if they wish."

Comrs. Lee & Ford dissented, latter issuing statement asserting that majority is discriminating against CATV. He'd have a hearing or order translators to protect CATV against interference. He said majority's thinking wasn't "entirely without merit," however. But, he added, if there's distinction to be made between interference to individuals and to CATV, it should be achieved after regular rule-making process.

'UHF UNDERVELOPMENT' CONFERENCE IN WORKS: To help promote uhf, in light of all-channel set law, FCC may soon call for an all-interested-party conference to consider ways & means.

Conference is brain-child of prolific L. M. Sandwick, EIA's consumer products staff dir. His constant worry is that public will be paying for sets—for a facility it can't use, because uhf signals won't be there.

Sandwick noted FCC Chmn. Minow's recent suggestion that Commission ask industry for ideas on promoting uhf (Vol. 2:50 p4). Sandwick promptly took him up, suggesting conference include representatives of: Congress's Commerce Committees, FCC, Commerce Dept., HEW Dept., set makers, stations, NAB, Assn. for Competitive TV, telecasting equipment makers, AMST, NAEB, NET, NARDA, et al.

Sandwick's concept is that everyone should promote uhf's success stories, not dwell on the stations that went off the air. He's also much concerned about development of easily-tuned uhf tuners. Prospects for calling conference are strong. Session may be scheduled within month or so.

TIGHTER REIN ON NEW AMs LIKELY: FCC's AM "radio overpopulation" conference last week was success, in opinion of most participants. There seems little doubt that FCC will come up with tighter engineering standards and will require applicants to have more than financial shoestring when they apply. To industry's relief, there seems little indication Commission will delve so deeply into station economics as to tinker with rates or other business aspects heretofore untouched by FCC.

NAB's series of witnesses demonstrated, in analyses of coverage, that FCC's objective of multiple service to nation has been achieved in large part. Said one commissioner later: "They showed that we really haven't loused up AM service, as some people have long claimed." There's no question Commission will take sharper look in future at applications for areas already heavily served.

NAB's witnesses made it clear they want no "arbitrary" restrictions on authorization of new stations, but, as George Hatch, KALL Salt Lake City, chmn. of Radio Development Committee, put it: "The establishment of a truly competitive, national radio service has been remarkably well achieved. For the future, the emphasis should be the improvement of existing facilities and the provision of interference free services that will keep pace with our changing population patterns."

Frozen applicants for new stations, argued traditional position of more-competition-the-merrier.

FCC is anxious to end freeze, is expected to move quickly on technical rule-making. There's some talk that Commission may also propose to lump AM & FM stations when considering need for additional service to a market; this would make it tougher for an AM applicant to argue that he'd reach underserved areas.

NAB spokesmen were careful to emphasize that Conference wasn't called because radio is sick. Said Hatch: "We do not come here to bury the radio free enterprise system but to praise it—and to praise those who conceived it, those who have built it, and those who have supervised its operation in the public interest."

NAB Pres. Collins, who started whole thing by asserting that overpopulation is deteriorating radio programming quality, was pleased by Conference, felt it will produce results.

TV SPENDING KEEPS GROWING: It looks like another banner year for TV time-&-talent revenues, if present trends continue. Based on year-start estimates by TvB, 1962 spending in 3 basic levels of TV—network, national spot & local—represented 14.6% of ad spending in all measured media, as against 13.6% of total in 1961.

This was major gain for TV, since all-media-spending estimate (time or space, plus production costs) jumped from level of $11.845 billion in 1961 to $12.365 billion in 1962. Whopping total poured into various forms of TV advertising grew at faster rate (12%) than did total advertising spending (4%).

Within still-growing TV medium, spot TV is making most rapid strides. Time-&-talent spending in national spot jumped 15% between 1961 and 1962, from $530 million to $610 million. Network spending—which still leads over-all TV field in totals—moved up 11%, from $810 million to $900 million. Local TV grew 8%, from $275 million to $297 million.

Networks are bellwethers of TV spending, and all 3 networks are confident that 1963 will be strong year, with gross billings running at least 10% higher for 1963 than in 1962. CBS is particularly bullish; net-

work sources there pointed to outlook of nearly 95%-sold nighttime level for first quarter of 1963, plus virtual sold-out position in noon-5 p.m. daytime periods. NBC, which scored billings gain of 13% last year over previous, feels it will be equally successful, although putting less emphasis on major-segment program sales and more on participation buying than CBS. ABC, having had good sales success in 1962, expects to hit high gear in participation sales for 1963-64 fall-winter season.

CURRENT CAPSULES

Hartford pay-TV experiment (Vol. 2:27 p2) is progressing satisfactorily, Teco Pres. Pieter E. van Beek told stockholders in recent report. Nearly 2,000 subscribers have signed up and have been "quite happy" with service, he said. At least 12-18 months of continuous operation will be necessary for conclusive findings, however, he cautioned. A major problem, van Beek noted, has been obtaining programming such as legitimate theatre plays, musicals, etc., which are presented live and must be taped or filmed for later showing. This involved extensive negotiations with many individuals & groups, with costs far exceeding revenues. "Hardly any delinquency" has occurred in payments by subscribers, van Beek reported.

■

GE's organizational structure doesn't satisfy FCC, regarding top management control of Schenectady stations. Commission has been considering renewal of stations in light of GE electrical-equipment anti-trust convictions. It told GE last week that company's setup & policies don't assure adequate responsibility for station operations, gave GE 30 days to tell whether it plans changes or status quo. Commission said it would be available for informal conference, if desired.

■

FCC staff letter-writing to stations, questioning programming (Vol. 2:50 p1), was hashed out partially by Commission last week. Staff is to come back with letters covering specific cases. FCC will then decide what it wants staff to ask—and what it wants to ask itself. Chances are staff will be given somewhat less leeway hereafter.

■

NBC-Philco agreement, in which latter seeks to withdraw from fight for former's Ch. 3, Philadelphia (Vol. 3:1 p1), has been filed with FCC Review Board, which sent it on to Commission for action. NBC agrees to pay Philco $523,000 for expenses incurred in litigation.

"Stereo has put radio back into the living room"—the first thing to do so since TV arrived, according to the two 26-year-old operators of KPEN(FM) San Francisco. James Gabbert & Gary Gielow gave well-received presentation at Press Club in Washington—for audience including 4 FCC members—at instigation of EIA's L. M. Sandwick who was fascinated by their enthusiasm & results. Station began Oct. 1957, became 6th stereo station in U.S., and operators claim 120,000 stereo sets in area, asserting this is greater distribution than in any other market, including N.Y. Programming is mainly classic & light classic, and station has rated as high as 4th in market in some time periods—against all AMs & FMs in area. Among plans: stereo drama.

"Dinner With The President," CBS-TV Jan. 31 hour-long special featuring folk music & ballet, will have President Kennedy as guest of honor—to receive B'nai B'rith Anti-Defamation League annual America's Democratic Legacy Award. Program will be telecast from Washington's Sheraton Park Hotel 10-11 p.m., hosted by actor Robert Preston.

Annual push for televised Congressional hearings has been launched by Rep. Meader (R-Mich.), who introduced 2 resolutions last week. First would amend House rules permanently to permit TV, radio & photo coverage of committee hearings at discretion of chairmen; 2nd would not amend rules but would be special resolution to allow coverage for 88th Congress only. First resolution is similar to one Meader introduced in 87th Congress, which was defeated in Rules Committee by 8-6 vote (Vol. 17:9 p11). He said Rules Committee Chmn. Smith (D-Va.) has agreed to hold early hearings on issue. Meader told us resolution would have "good chance" if networks, NAB & similar groups present strong case at hearings.

Court appeal is planned by radio WDKD Kingstree, S.C. after FCC reaffirmed license renewal denial in famed "obscenity case" (Vol. 2:31 p3, et seq.). Commission last week turned down licensee E. G. Robinson Jr.'s petition for reconsideration. Circumstances of case—misrepresentation, lack of control, nature & duration of offense, overall programming—require denial, FCC said. Station will stay on air while case is before court.

'FILM TWIN' FOR TAPE: Aimed at removing "biggest barrier" to heavy use of tape by national advertisers in spot campaigns, MGM Telestudios last week announced new tape-film system which simultaneously makes video tape and 16-mm film.

Called "Gemini," system consists of 16-mm film camera mounted on standard TV camera, using same lens (by means of beam-splitter) and electronic viewfinder. Telestudios plans to equip all of its new 4½-in. TV cameras with Gemini attachments.

MGM Telestudios Pres. George Gould explained last week at special press demonstration that about 15-18% of spot commercials are now made on tape. Biggest roadblock to more widespread use of tape for spot commercials, he said, was fact that all TV stations are not yet equipped with TV tape recorders. Thus, major advertisers who use tape for national spot campaigns "must cover about 20% of the stations with kinescope prints" or else shoot commercial separately on film & tape.

Because of poorer quality of kinescope prints, "many advertisers with large spot campaigns have gone to film rather than tape," he added. Gemini system, he said, avoids this problem by providing high-quality 16-mm film print, shot at same time as tape commercial. He said Telestudios will hereafter supply "Gemprints" to all customers at same price as previously charged for kines. Telestudios is installing film-processing equipment for quick service.

He also pointed out that Gemini technique is applicable to programming—making 16-mm prints of tape shows for use on non-taped-equipped stations in U.S. & overseas. System was originally developed for use in educational programming by Telecam Corp. of Pittsburgh. MGM Telestudios has purchased exclusive 3-year rights to device and has retained co-inventor Warren R. Smith as director of technical development. Smith was pres. of Telecam and Warren R. Smith Co., Pittsburgh film producer. Other co-inventor is Robert Ferber.

■

Travails of becoming TV performer are revealed by *N.Y. Times* TV critic Jack Gould in Jan. 12 *TV Guide* N.Y. Metro edition. Drafted for TV duty because of long newspaper strike, Gould has some humorously acid comments about studio temperatures, makeup, tight time schedules. Medium has its rewards also, he noted. After 25 years as columnist in which he was never offered free drink at his favorite bar, he immediately got a brandy on the house after first 2-min. appearance on WNBC-TV.

Network TV gross time billings in first 10 months of 1962 rose 12.7% to $654,098,990 from last year's $580,370,320, TvB reports. Oct. billings totaled $73,961,226, up 10.6% from Oct. 1961's $66,846,558. For 10-month period, ABC-TV rose 7.7% to $168,295,406; CBS-TV 17.1% to $254,851,499; NBC-TV 11.9% to $230,952,085. Daytime billings increased 19.7% to $206,172,909; nighttime rose 9.7% to $447,926,081.

"Radio . . . the Mobile Medium" will be theme of NAB's 1963 National Radio Month in May. Promotional kits, to be sent to member stations & networks to help publicize radio's "mobility," will include live spots, program & promotion ideas & suggestions, speech text, etc.

FCC's 28th annual report now available from Govt. Printing Office (50¢).

communications satellite (Vol. 3:1 p4) entered space TV

More Space TV Firsts: RCA's suddenly-revived Relay razzle-dazzle last week, successfully flashing pictures of President Kennedy's unveiling of Mona Lisa to Europe Jan. 9. Relay almost penetrated Iron Curtain; signals received in Paris were cabled to Hungary & Czechoslovakia, but equipment broke down in Hungary, and broadcast failed to get to either country.

France & London reported nearly perfect reception. Station at Fucino, Italy also picked up telecast, although its antenna is intended only for voice & data transmission.

AT&T's Telstar, whose repair was termed a "great space age feat," also transmitted live 9-min. program to Europe Jan. 6. Company still plans to launch 2nd Telstar in Spring.

New TV-carrying moon vehicle, "Surveyor," will get "highest priority" to take TV pictures of moon's surface in preparation for manned landings. NASA Lewis Research Center Dir. Dr. Abe Silverstein said govt. considers it "very urgent" to get Surveyor on its way by early 1965.

■

Usual barrage of new bills was introduced in first session of House Jan. 9. New measures are not dropped in Senate hopper until after President's State of the Union Message Jan. 14. Among new House bills affecting broadcasting: (1) HR-414, by Stratton (D-N.Y.), to prohibit advertising of articles made in E. Germany unless ad so states. (2) HR-457, Cederberg (R-Mich.), quality stabilization act. (3) HR-578, Multer (D-N.Y.), to prohibit boxing broadcasts. (4) HR-579 Multer (D-N.Y.), to forbid broadcasters to make unauthorized deletions from certain broadcast matter. (5) HR-594, Steed (D-Okla.), FTC temporary cease-&-desist authority. (6) HR-967, Younger (R-Cal.), to create Dept. of Transportation & Communications.

Integrity of WLOF-TV Orlando principals in "influence" case was upheld by FCC last week as expected (Vol. 2:53 p5)—Chmn. Minow dissenting. Majority accepted WLOF-TV's position that its principals had no knowledge of Orlando attorney William Dial's contacts with former Comr. Mack. Minow disagreed, asserting he was skeptical. Though he wouldn't completely disqualify WLOF-TV, he'd "significantly impair" its standing as an applicant. Case is still under Court of Appeal's jurisdiction, and Commission asked that it be given back for final FCC action.

First nationwide closed-circuit promotion of new movie will be telecast Jan. 16 by NBC-TV—Universal's "Forty Pounds of Trouble," starring Tony Curtis & Suzanne Pleshette. Stars, producer, director, will hold closed-circuit press conference 1-2 p.m., originating at Burbank, Cal. studios. Cities carrying show are N.Y., Chicago, Washington, Boston, Pittsburgh, Detroit, St. Louis, Los Angeles, Dallas, possibly others.

NBC will apologize to Ala. Gov.-elect George Wallace for barring him from appearance at halftime of televised Blue-Grey football game Dec. 29 (Vol. 3:1 p5). Rep. Roberts (D-Ala.) wrote NBC asking for explanation, was notified letter was being sent to Wallace. Roberts stated he was waiting for copy of letter & detailed explanation of incident, said he'd go to FCC if explanation wasn't satisfactory.

TV of Iran names ABC International as TV sales rep.

Personals

Robert H. O'Brien elected MGM Inc. pres. & chief exec. officer, succeeding **Joseph R. Vogel**, who moves up to chmn.; former chmn. **George L. Killion** replaces Vogel on exec. committee.

Charles G. Drayton promoted to RKO General Bcstg. vp-administration . . . **Joe Cella** promoted to WLWT Cincinnati promotion & publicity dir., a new post; **Robert B. Frolicher** named to similar position with radio WLW.

Marvin Kalb, CBS News Moscow bureau chief, moves to Washington as diplomatic correspondent, a new post, succeeded in Moscow by **Stuart Novins** . . . **Bill Leonard** named exec. producer of WCBS-TV expanded news coverage during N.Y. newspaper strike.

Irving Novick promoted to ABC labor relations dir. . . . **Richard J. Quigley** promoted to Blair TV vp.

Robert F. Reid, WRGB & radio WGY & WGFM (FM) Schenectady marketing mgr., awarded *Printers' Ink*-Advertising Federation of America silver medal for distinguished service to advertising.

Roland Tooke, Westinghouse Bcstg. exec. vp, will be guest lecturer on U.S. TV-radio at 84th Salzburg Seminar in American Studies, at Salzburg, Austria, Feb. 8-March 9, attended by leaders of 15 West European nations.

Martin Weldon, ex-Metropolitan Bcstg. news & special events dir., appointed RKO General Bcstg. public affairs dir. . . . **Alan Henry**, ex-radio KWK St. Louis gen. mgr., named asst. to Metromedia Inc. Pres. & Chmn. **John Kluge**. . . . **Bob Sprouse** promoted to WBNS-TV Columbus, O. national sales mgr.

Lee Fondren, radio KLZ Denver, **Norman Cash**, TvB, and **Kevin Sweeney**, RAB, appointed members of Advertising Federation of America national committee to direct program for "National Advertising Recognition" for 1963.

Thomas Shull, ex-Storer Bcstg., joins Doyle Dane Bernbach as acct. exec. for ABC-TV; **John Robinson**, ex-Lambert & Feasley, named asst. to DDB radio-TV programming dir.

Alan Harmon promoted to vp & partner in Daniels & Assoc., CATV broker.

Philip S. Goodman, TV writer-dir. & movie producer, appointed creative dir., Fred Niles Communication Center, N.Y. . . . **David Bringham**, ex-radio KHJ Los Angeles, appointed KOOL-TV & KOOL Phoenix news dir.

William L. Brown promoted to WMBD-TV-AM-FM Peoria mgr., succeeding **Harold Sundberg**, who becomes WZZM-TV Grand Rapids gen. sales mgr.

Charles R. Sanders, radio WSPA Spartanburg mgr., promoted to asst. gen. mgr. of parent Spartan Radiocasting Co. . . . George Foulkes resigns as WTHI-TV-AM-FM Terre Haute sales vp, plans not announced.

Eugene W. Whitaker, ex-KSL-TV-AM-FM asst. engineering dir., named asst. to engineering vp, King Bcstg. (KING-TV-AM-FM Seattle, KGW-TV & KGW Portland, KREM-TV-AM-FM Spokane).

Obituary

Robert E. Freer, 66, former FTC chmn. & head of Federal Bar Assn., died of a malignant blood disease at National Institutes of Health, Bethesda, Md. Jan. 6. He was FTC member 1935-48, chmn. in 1939, 1944 & 1948. Partner in firm of Freer, Church & Green 1948-60, he was hearing examiner for Federal Power Commission for last 2 years. His widow, 2 sons, 2 daughters survive.

John W. Vandercook, 60, ABC radio news commentator until his retirement due to health 2 years ago, died of heart ailment in Delhi, N.Y. Jan. 6. He was former newspaperman & author of books including *Black Majesty, Fools Paradise, Murder in Trinidad.* He began radio career in 1940, covered Western Europe & Africa for NBC during World War II, later joined Liberty Bcstg. Co., then ABC. Son, daughter, survive.

Pacifica Denies Red Ties: Senate Internal Security Subcommittee, headed by Acting Chmn. Dodd (D-Conn.), held closed hearings last week looking into possible Communist infiltration of 3 non-commercial FM stations operated by Pacifica Foundation, Berkeley, Cal.

Stations KPFK Los Angeles, KPFA Berkeley & WBAI N.Y., are listener-supported outlets. Pacifica Acting Pres. Trevor Thomas told probers there is no Communist influence in management of stations, but admitted that reds are regularly allowed to appear on broadcasts. He said group's policy is to allow viewpoints from far left to far right to be heard. Before hearings, Dodd said his group was informed that Communists have attempted to infiltrate a radio chain. Only one witness, Southern Cal. Communist Party Chmn. Dorothy Healey, refused to testify, claiming Fifth Amendment. Other witnesses subpoenaed included Jerome Shore, Pacifica exec. vp; Joseph Binns, WBAI mgr.; Washington attorney Harry Plotkin, counsel for Foundation.

After Jan. 11 hearing, Shore said in interview he is not Communist Party member, hasn't been for past 9 years. Asked about associations prior to 1954, he declined to answer. He said he felt that by answering such questions, he would waive constitutional rights. Thomas said full information concerning hearings & testimony of staffers would be given to Foundation Board for its consideration.

American Jewish Congress lodged protests with Vice President Johnson & FCC Chmn. Minow, charging hearings as "flagrant attack" on guarantee of free speech & press. Dodd announced hearings could lead to legislation requiring broadcasters, newspapers & magazines to identify any authors or commentators belonging to Communist organizations.

Price increases of 3-5% on cameras for TV broadcast and 6-16% on closed-circuit cameras were announced last week by GE technical products operation, effective Jan. 14. Among items affected: 4½-in. IO b&w camera (PE-20-B); 3-IO live color camera; TE-14 & TE-15 closed-circuit cameras & accessories.

ABC-TV has ordered 12 TV tape recorders, all equipped for color. The completely transistorized compact RCA TR-22 machines will be installed in Chicago, used for network feeds. ABC-TV's colorcasting currently is limited mainly to film shows, although Christmas Eve Bing Crosby-Mary Martin color special was taped.

Sale of WMAZ-TV (Ch. 13) Macon, Ga. along with radios WMAZ & FM for $2,094,750 to WMRC Inc. by George P. Rankin Jr. and associates has been filed, now pends FCC approval.

Sports Network Inc. opens new offices at Bank of N.Y. Bldg., 530 Fifth Ave., N.Y. 36. Phone is MU 2-0117, becomes MO 1-1000 March 18.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

MANUFACTURERS DECRY CONSIGNMENT PLANS FOR DEALERS: Not since Philco's spectacular "Instant Dividend" skyrocket (Vol. 2:9 p7) has industry attention been so focused on dealer-aid programs as it is on the sales & display types introduced by GE & Westinghouse (Vol. 2:40 p9).

Although GE & Westinghouse disclaim any national plan or retailing ambitions, consignment programs are spreading. Westinghouse is testing in Salt Lake City & Minneapolis, will soon open Toledo, and, we were told, "will announce a 4th test city, somewhere in the midwest, in next week or so." GE sales & display program is operating in Salt Lake, Memphis & Kansas City. Plan Westinghouse will introduce in its 3rd & 4th areas, incidentally, will be factory made. Salt Lake & Minneapolis programs were developed by distributors there. Factory plan, Westinghouse told us, "will combine & reflect our experiences in the first 2 areas."

There's dealer support for such programs, but our conversations with TV manufacturers last week revealed little liking for consignment programs & no plans to follow suit.

Manufacturers were unanimous that their sales have been unaffected, & their dealers undisturbed, in the GE & Westinghouse test cities. There was general agreement, too, that:

(1) Manufacturer encroachment on dealer responsibilities will rob him of initiative & independence. Or, as Philco put it for us, "There most certainly will be an adverse effect on dealer initiative if manufacturers get into retailing directly or indirectly." Not so, GE previously told us. "A dealer is in business to make money. If this program can help him make more money, then it's good for him and all the negative opinions will fade away."

(2) Too much manufacturer aid may serve to "bail out incompetent dealers," as one executive expressed it. Westinghouse expressed it this way: "True, some dealers are in a predicament and looking for an opportunity to stay in business. This program can give them that opportunity." Westinghouse told us: "In Minneapolis we're getting dealers back who were out of the TV & stereo business. We're also getting more sales and more exposure of our high-end merchandise. With this plan, dealers who couldn't afford to get too deeply into high-end merchandise are now back in that business and doing very nicely."

(3) Small dealer is not becoming obsolete, despite rising costs of distribution & increasing competitive pressure from big discounters & national variety chains. "You can delude yourself that distributors are moving away from small dealers to the big chains and so-called mass merchandisers," Motorola Consumer Products Pres. Edward R. Taylor told us, "but we've cautioned our distributors to be very careful about the discount chains. I don't think the market can support them at the rate they're expanding."

(4) Present distribution patterns are not outmoded. Despite Magnavox's success & Sylvania's decided move in that direction, there's no industry trend to direct selling. There's no belief, either, that any manufacturer will attempt to do his own retailing on a national scale. "I don't think anyone would be that crazy," Zenith Sales Corp. Pres. Leonard C. Truesdell told us, adding:

"I've seen these plans come & go over the past 35 years. They fail because of the simple fact that the dealer is a dealer because he wants to be an independent businessman. He doesn't want to be a commission salesman. Sure dealers need help, but in the form of planning & programs that don't pull the rug out from under them. Present distribution programs aren't outmoded. The only thing wrong with them are manufacturers who dump merchandise, cut prices and shrink profits & margins so that it gets harder all the time for the dealer to stay in business. All the dealer really needs is a decent margin of profit." Here are other comments we rounded up:

NARDA Chmn. Mort Farr: "Speaking as a dealer, everytime a dealer gives away some function of his operation he gives away some of his independence. Dealers may like these sales & display plans at first because nobody shoots at Santa Claus. But if you yield servicing, financing, delivery, and warehousing, you can wind up as a salesman in your own store. Too many dealers do what is expedient without fully checking out the facts."

Magnavox: "The growth & strength of our dealers," we were told, "have resulted in large part from our program of cooperative help, advertising & sales training. These services in the past have enabled Magnavox's small dealers to be successful, make a profit, and in some case grow into large dealers. We see no reason why this should change in the future. A high percentage of our dealers are small dealers, and we definitely do not see the discounters & big variety chains taking over."

Westinghouse: "We have not heard of any dealer in our program who has criticized it." Re charges that program will make a salesman for the company, "we hope it will. We want him to push our merchandise and give us the best display space. Doesn't every manufacturer?"

John W. Craig, vp & gen. mgr. of Westinghouse's Major Appliance Div., wrapped it up this way in speech slated for NARDA presentation Jan. 12: "From the manufacturer's viewpoint, underassortment of his line on a dealer's floor means lost sales. But the dealer may face a problem in that an assortment satisfactory to the manufacturer involves too great an investment in merchandise." Craig noted also that "dealer's attention from his primary function of selling" is diverted by labor, handling & warehousing problems & costs. "These experiments hopefully will enable him to emphasize selling," he said, adding: "At this point our experience is limited. Retailers apparently are pleased with the plan. We are not yet prepared to commit ourselves fully."

GE told us pretty much same thing: "Our whole purpose is to determine if greater exposure of our line can produce more sales & a better mix, particularly at the high end of the line. Most of the dealer's problems stem from the fact that people haven't had an opportunity to see the full line. Because of lack of space & finances, not all dealers are able to display the full line." GE was emphatic: "We have no plans to go into retailing. We wouldn't know how. The basis of our operation always has been the dealer. Our plan is to run these test operations in these 3 cities for some length of time. After we have analyzed results, we'll be in a position to make a decision for the future."

RCA Sales Corp. Mktg. vp Raymond W. Saxon told us RCA has shown "a decided increase in market penetration" in the sales & display cities, said company always studies & evaluates changes initiated by other manufacturers but "to date these apparent changes have only reinforced our belief in the present system of independent distribution." Although dealer's position in recent years "has been highly competitive," Saxon said, "he has survived numerous new sales programs & even predictions pertaining to his demise." He continued: "Although it appears that more & more manufacturers are going in the direction" of bypassing small dealers in favor of discounters & big national variety chains, "we certainly have no plans to concentrate on any category of retail outlets."

• • • •

Extended warranties, another simmering merchandising trend that has industry stewing, came in for full share of pros & cons at NARDA meeting in Chicago:

Philco Pres. Charles E. Beck fired opening gun Jan. 11 with unequivocal endorsement: "We believe that extended warranties are good for the manufacturer, distributor, dealer & the customer." He urged appliance & TV-radio dealers to help eliminate "customer confusion" about warranties, said Philco "would welcome" move to "standardize on some definitions that can be easily understood by the customer & that are applicable on an industry-wide basis." He termed extended warranty "simply a tangible manifestation to the customer" of "our pride in the craftsmanship of our products." Philco last year increased warranty on automatic washers from 1 to 2 years (labor for 1 year), carries 1 year warranty (5 years for compressors) on balance of white line. TV carries 90-day parts, tubes & labor protection, 1 year on picture tube.

Westinghouse vp & Major Appliance Div. Gen. Mgr. John W. Craig fired back Jan. 12 with attack on "warranty roulette." He told NARDA session: "I fail to see how it benefits anyone." He rapped dealer "who sells paper with fine print instead of the fine merchandise our industry offers," concluded: "this industry would be better off with a 3-month unconditional warranty than with a 5-year guarantee with 3 paragraphs of exceptions."

RCA Sales Corp. Mktg. vp Raymond W. Saxon joined fray same day with firm stand against extended warranties. "To ask distributors, dealers & consumers to pay extra for what we consider unnecessary warranty features," he told NARDA members, "is totally unrealistic. A warranty alone was never intended to be a merchandising tool—it should be considered as part of the over-all service program which accompanies the sale of the home entertainment product." He urged dealers to take fresh look at servicing, called it "undoubtedly the most neglected selling tool that a retailer has at his disposal." He said independent servicemen "handle more than 94% of the service business" on RCA TVs.

Saxon also threw in new color TV figures: "Enough color TV receivers were sold in 1962 to account for a quarter of a billion dollars of retail business," said, adding: "More than half of our color TV dollar volume was shown by a survey to represent sales to consumers who would not have bought a black-&-white set. This was plus business in a year when black-&-white unit sales exceeded 1961's rate by 10%.

'PACKAGE' HI-FI DEFINITION GOES TO FTC: Hi fi is almost as difficult to define as true love. With this in mind, EIA gingerly delivered group of comments to FTC—without calling them a "recommendation"—and made it clear that the material applied only to "packaged" music systems.

Thus did EIA discharge its responsibility to FTC, which had requested proposed definitions in order to protect public from misleading claims about what is hi fi and what isn't. EIA had circularized more than 1,000 interested parties, including component hi-fi manufacturers, received 154 replies (but virtually none from component people).

Consensus of most, but not all, package hi-fi manufacturers approved this definition: (1) Amplifier must have MPO rating of 5 watts. (2) Over-all phono system must have minimum acoustical output of 77 db at 100 cycles, 80 db at 1,000 cycles and 74 db at 8,000 cycles. Test procedure for making these measurements was outlined.

When this proposed definition leaked out several months ago, organized component hi-fi enthusiasts were beside themselves with fury. A single editorial in Dec. *High Fidelity* described tentative proposal as "dangerous," "hokum" and "deliberately misleading." In submitting its comments to FTC, EIA's committee helpfully suggested that views of other groups, such as Institute of High Fidelity Manufacturers (component hi fi) might also be sought.

Institute said it is working on its own definition to apply to component hi fi only, and hoped to submit it to FTC within 30 days. IHFM Pres. Raymond Pepe called the EIA-submitted definition "much too low for reasonable standards," urged separate and "much more stringent definition for components to protect the buyer."

FTC has poked its head into nest of extremely wild hornets. Component hi-fi makers have always considered that "high fidelity" was stolen from them, and that, by definition, the phrase should apply only to components. After FTC has heard all comments on proposed hi-fi definitions, we predict it will give up idea of trying to protect public and concentrate on protecting itself. To attempt to measure the height of fi would be as impossible as to try to determine the height of the component enthusiasts' dudgeon.

1962 TV PRODUCTION—6,484,501: With last of EIA's weekly production reports for 1962 completed at last week's end, here's how TV-radio output shaped up: Black-&-white TV had its biggest year since 1956; radio had its 2nd biggest year in history; auto radio set all-time high by wide margin.

Industry-wide TV output totaled 6,484,501 (b&w only), highest in 6 years, but nowhere near the 7-million-plus years of 1953-56. Production was very close to estimated distributor-to-dealer sales — probably within 4% — indicating little overproduction.

Total radio receiver output (including auto) came to 19,189,507. This compares with 17,373,846 in 1961, and is highest in radio's 41-year history—except for record postwar year of 1947, when some 20 million sets were produced.

With boom automobile business, auto radio production shot through roof—totaling 7,287,388, very close to total 1962 sales by auto industry. Previous high was 6,864,000 in 1955, and only other year when output exceeded 6 million was 1960 (6,432,000).

The preliminary EIA figures are subject to slight revisions in final auditing, and revised figures will be printed here upon their official release, probably in Feb.

• • • •

Here are EIA's production statistics for final 2 weeks of 1962, compared with year-ago figures. Data had been delayed because of holidays:

	Dec. 17-21	1962 week	Dec. 24-28	1961 week	Full year '62	Full year '61
TV	125,405	122,753	57,783	66,775	6,484,501	6,177,793
Total radio	380,877	363,543	207,365	252,903	19,189,507	17,373,846
auto radio	179,453	133,082	147,578	105,122	7,287,388	5,568,345

EIA statistics for week ended Jan. 4 (first week of 1962):

	Jan. 2-4	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
TV	66,146	57,783	81,108	——	——
Total radio	221,169	207,365	280,636	——	——
auto radio	107,014	147,578	117,258	——	——

Printed-circuit-vs.-hand-wired battle flamed anew in ad pages last week as 2 TV manufacturers decided to have another fling at challenging claims of superiority of hand wiring. In 2-page & 1-page ads in trade publications, RCA devoted entire space to dependability of its "space-age sealed circuitry" over "old-fashioned hand-wired circuitry." Philco appealed directly to consumers in full-page newspaper ad challenging "misleading propaganda about 'hand wiring,'" terming circuit boards "more satisfactory and reliable." Hand wiring, said Philco, "makes good propaganda, [but] it simply does not make the best [TV] sets."

Philco will double local newspaper ad budgets this year, has scheduled kickoff ads in 240 papers in 196 markets, reported Consumer Products Div. ad mgr. John Kelly. These will be followed throughout year by local campaigns in 217 newspapers in 189 markets. Trade ads will hammer "Ford Means Business" theme, "tell dealers what the new Philco-Ford association means in terms of profit to them now & in the future," Kelly said.

Japan will reduce tariffs from 25% to 20% on imports of U.S. TV sets of 19-in. & above and on certain types of receiving tubes. Concession was made at General Agreement on Tariffs & Trade (GATT) negotiations in Geneva, in exchange for certain concessions by U.S. on Japanese imports of unspecified items. Tariff reduction is minor item; U.S. exports of the sets & tubes to Japan totaled only $44,000 in 1961.

Space-Tone Electronics Corp., publicly-owned Washington, D. C., manufacturer of stereo consoles, announced last week that it will offer its line to department stores. Its initial offering consists of 5 stereo consoles at $150-$995 list. It previously had sold its products only through wholly-owned subscription club subsidiary.

Reduction of manufacturing tax from 10% to 5% on TV sets, radios & certain other entertainment equipment is proposed in bill (HR-872) by Rep. Conte (R-Mass.).

Sylvania has started production of line of compactron receiving tubes. The multi-element tube design was developed by GE, and Sylvania is 2nd company to produce it.

American Video Inc. is name of new firm which has taken over assets of Calvideo Electronics Inc., Compton, Cal., one of largest picture-tube rebuilders. New company's owners, both attorneys, are Judd Goldfeder & Garson Fox, who have become pres. & finance vp, respectively. Former Calvideo Pres. Stephen Tidik has been named mfg. vp. Calvideo, which did not operate profitably in 1962, had sales of about $1.7 million for the year. Goldfeder & Fox also own U.S. Scientific Devices, Los Angeles CR tube developer & manufacturer.

Minneapolis-St. Paul will be next marketing area for 3M-Revere automatic tape cartridge recorder (Vol. 2:46 p9). Satisfied with results of St. Louis market test, 3M officials will open sales in Twin Cities, corporate home of 3M, Feb. 1. Several exclusive dealer franchises will be awarded—probably to music & dept. store—for the $450 unit. Marketing will be nationwide by Sept. 1, covering top 25-30 market areas. Deals with at least one console-phono manufacturer are understood to be in serious discussion stages.

Japanese TV exports (sets & chassis) to U.S. for first 11 months of 1962 totaled 137,875, compared with 17,560 in same 1961 period, according to Finance Ministry. Of 1962 total, 29,152 were transistorized and 108,720 were tube sets; all except 3 had screen sizes smaller than 21-in. Other Japanese exports to U.S. for the 11-month period (1961 comparisons in parentheses): Tube radios, 1,489,579 (1,982,762); radios with 3 or more transistors, 6,994,147 (4,025,162); other radios, 2,521,923 (4,360,554).

Canadian FM stations broadcasting in stereo, in addition to those listed in our Dec. 10 issue (Vol. 2:50 p12): CJFM Montreal, CFPL-FM London, CJOB-FM Winnipeg. The omissions were called to our attention by CJFM mgr. J. Lyman Potts, who says his station has been operating in stereo 18 hours daily since it went on air last Oct. 1.

Quarterly magazine for GE TV-radio & stereo dealers, *Sight & Sound Retailing*, has made debut. Editor is Tom Castle, GE radio & TV div. ad & PR mgr.

SPIEGEL CASE RESOLVED: TV industry's own "Der Spiegel" case was resolved last week without so much as the resignation of a cabinet minister. Its implications were felt, however, halfway around the world—particularly in Chicago, N.Y. & Tokyo.

It started 2 weeks ago when big Chicago mail-order house Spiegel Inc. exploded bombshell by advertising Symphonic's new 16-in. TV (made by Nippon Electric Co.) on back page of its spring-summer catalogue at $79.95 (deluxe version $99.95), surprising entire trade including Symphonic. At week's end, Spiegel issued this statement: "Although previous action cannot be undone, Spiegel has decided on its own to take revised pricing action in their next major publication going to press almost immediately to Spiegel's full mailing list. Spiegel is continuing with the TV set because they have been most pleased with the production and the excellence of its performance."

In the time between the 2 weeks, there were hurried conferences, and a little commuting (including a quick trip from Tokyo to Chicago by Kaneo Iyi, asst. chief of NEC's foreign trade dept.). Decision, however, was made unilaterally by Spiegel.

It was understood that export price for NEC's 16-in. set was apparently the standard $50 others pay for similar receivers. Favorite game being played by other TV importers was trying to figure out where the profit was at $79.95. When 12½% duty, 10% excise tax, and transportation were added to the $50, sets should have cost Symphonic about $70 each. leaving only $10 for both Symphonic's & Spiegel's profit. It was reported that Symphonic had contracted for 20,000 sets to be delivered by mid-year for merchandising under Symphonic & private-brand labels. By week's end, Symphonic, Nippon Electric, presumably Spiegel—and certainly other TV importers—were breathing a bit easier.

* * *

Note: Westrex, whose Weststar brand TV sets are also made by NEC (Vol. 2:38 p8), started its first trade advertising campaign, seeking more outlets for its dock-to-dealer distribution. Its 8-in. TV (designed to be sold at $100) is advertised as selling at "44% markup." Also featured in ads are 16-in. TV and German-made stereo consoles.

———■———

U.S. business had record sales in Nov., Commerce Dept. reported. Total sales of manufacturers, wholesalers & retailers rose 2% from Oct. to $67.7 billion after seasonal adjustment. Nov. retail sales totaled $20.2 billion, manufacturers' sales $34 billion; wholesale volume $13.5 billion. Total inventories at month's end rose $3.5 billion from year earlier to $98.4 billion.

Thompson Ramo Wooldridge plans some $13 million in new capital investment this year, about same as in 1962. **Industrial Engineering** Dir. Kendall C. White said TRW will put major emphasis on plant modernization & cost reduction.

Service center for Sony tape recorders will be opened in Feb. at 582 Fifth Ave., N.Y. by importer-distributor Superscope Inc., Sun Valley, Cal. Superscope national sales mgr. Fred Tushinsky said service & information center is first of 10 planned. Robert Hasche will head N.Y. facility.

Trade Personals

Wilson P. Boothroyd, ex-Philco electronics engineering mgr., joins Sylvania Electronic Systems as associate dir. of Equipment Labs, a new post.

Wendell B. Sell, a Packard Bell dir., elected exec. vp . . . **E. Frank Echolds** named American Electronics operations vp.

R. J. (Jack) Cherry, former Philco vp, joins Gibson Refrigerator Sales Corp. as distribution vp.

Charles H. Miller, former mgr. of Ottawa, O. plant, named mgr. of Sylvania's Burlington, Ia. receiving tube plant . . . **Dr. A. D. Ross** named RCA graduate recruiting mgr., headquartering at Princeton, N.J. . . . **Emil (Dude) Hubka** resigns Feb. 1 as Motorola public information services mgr. to become asst. to pres., Chicago Blue Cross.

C. F. Whitaker named gen. sales mgr., RCA Victor Co. Ltd., Montreal, succeeding **R. M. MacRae,** recently named RCA staff vp for Southwestern distributor & commercial relations; **R. G. Simpson** succeeds Whitaker as gen. mgr. of Canadian firm's Home Instrument Merchandising Div.

Richard D. Kennedy appointed by GE receiving tube dept to new post of sales mgr., home convenience products.

C. J. Bridgland, Canadian National Telegraphs chief radio engineer, elected Canadian Radio Technical Planning Board pres.

Frederick R. Kappel, AT&T Chmn., awarded 1962 William Penn Award by Philadelphia Chamber of Commerce for "outstanding contributions to communications."

Stuart Meyer named pres. of Giannini Scientific's subsidiary Hammarlund Mfg., succeeding **Martin Koenigsberg,** who assumes new post with parent company.

Arthur P. Clow elected a Western Electric vp & a dir.

John S. Garceau, onetime RTMA ad committee chmn., becomes pres. of new Philadelphia ad agency, **Garceau, Hargrave & McCullough.**

Donald H. Hartmann, formerly Heath Co. exec. vp, appointed exec. vp & gen. mgr. of Dresser Industries' Lane-Wells Co. Div.

E. Nevin Kather appointed Raytheon original equipment mktg. vp, a new post, succeeded by **Kenneth M. Lord** as vp & gen. mgr. of Semiconductor Div. . . . **Louis A. deRosa,** ITT Communications Systems vp, named to board of Gombos Microwave, Clifton, N.J. maker of microwave components.

Harry Christian named Pilot Radio controller, **Marvin Sachar** national credit mgr., **Milton Browner** chief accountant; **I. W. Wyckoff,** secy.-treas. for 30 years, will retire to consultancy.

———■———

Reorganization at Bruno-N.Y. Inc., RCA distributor, elevates former Pres. **Jerome Harris** to chmn. & chief exec. officer, **Richard Harris** (ex-merchandising vp) to pres.; **David Wolff** (ex-TV sales mgr.) to gen. mgr. for RCA Victor home instruments; **David Schneer** to radio & stereo sales mgr. Commenting on reports that he had left company, Sales vp **David Oreck** told us that his relationship with firm is "unchanged," but that he will be "taking a less active part."

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Disney Productions	1962—year to Sept. 29	$ 74,059,197[1]	$ 10,913,491	$ 5,263,491[1]	$3.14	1,674,804
	1961—year to Sept. 30	70,247,772	9,787,486	4,465,486	2.75	1,626,023
General Instrument	1962—9 mo. to Nov. 30	63,213,152	——	385,123	.15	2,570,401
	1961—9 mo. to Nov. 30	64,806,558	——	958,726	.38	2,482,973
	1962—qtr. to Nov. 30	22,019,021	——	29,814	.01	2,570,401
	1961—qtr. to Nov. 30	23,534,666	——	183,167	.07	2,482,973
Hewlett Packard	1962—year to Oct. 31	109,167,354	——	6,685,471	.62[3]	10,800,557
Story below	1961—year to Oct. 31[2]	87,266,934	——	5,657,144	.53[3]	10,660,698
A. C. Nielsen	1962—qtr. to Nov. 30	——	——	675,329	.39	1,710,000
	1961—qtr. to Nov. 30	——	——	657,830	.38	1,710,000
Seeburg	1962—year to Oct. 1	51,051,415	——	1,696,310[4]	.89[4]	1,900,554
	1961—year to Oct. 1	35,277,000	——	1,051,145[4]	.55[5]	1,916,313

Notes: [1] Record. [2] Adjusted to include Harrison Labs, acquired Dec. 1961. [3] After preferred dividends. [4] Includes $150,000 (8¢ a share) special tax credit for losses in previous years. [5] Includes $460,000 (24¢) special tax credit.

Magnavox's Record 1962: Magnavox's 1962 sales climbed 43½% to record $202 million from 1961's $140.8 million. It was company's 5th consecutive record-setting year & Pres. Frank Freimann forecast new high levels of sales & earnings for 1963.

Profit figures for 1962 aren't yet available, he said, but gain in profit was about in line with sales. In Oct. (Vol. 2:44 p10) he said profit was expected to jump 40% from 1961's record $9 million.

■

"Diversification at ABC-Paramount" is explored by Jan. 9 *Financial World*, which noted "many-faceted" company's broadcasting, theatre, publishing & electronics interests—12% stock interest in Microwave Associates, 19% interest in Technical Operations, loan to Visual Electronics "which carries the right to purchase a sizable stock interest." In 1961, ABC contributed 70% of gross income, *World* said, theatres chipped in 23%, merchandise sales & other income made up balance of 7%. "With the sole exception of the theatre division," magazine said, all AB-PT divisions in 1962 bettered their 1961 performances. "As a result, the corporation's earnings are believed to have risen to around the $2.50 per share level from $2.26 reported for 1961."

International Rectifier sales in fiscal 1963 ending June 30 should climb to $20 million from $17.9 million in fiscal 1962, reported Pres. Eric Lidow. Earnings are expected to top year-earlier's $1.2 million. Current backlog is $5.5 million—up from $4.5 million a year earlier. In 2nd fiscal quarter ending Dec. 31, company foresees sales increasing to more than $4.5 million from $4.2 million, earnings approximating 1961's Oct.-Dec. profit of $216,000. Lidow said extent of International Rectifier's fiscal-1963 profit increase hinges largely on new drug operation. "In next 2 or 3 months," he said, company expects to quadruple output of antibiotics.

Mergers & acquisitions: Oak Mfg. has purchased for undisclosed cash **Marco Industries**, Anaheim, Cal. maker of indicator lights and switches • **Sprague Electric** has absorbed subsidiary **Vec-Trol Engineering.**

GT&E's profit from manufacturing operations in 1962 rose some 13% from 1961 to about $28 million, Sylvania Electric Products Pres. Gene K. Beare reported. GT&E previously estimated total 1962 sales at record $1.3 billion & peak profits of $85 million (Vol. 3:1 p10). Continued improvement in 1963 sales & profits is anticipated, Beare said, adding: "After a relatively brief period of adjustment in certain aspects of our manufacturing operations, particularly in several areas of electronics that have undergone very rapid technological change, the operations of GT&E have resumed their strong upward trend."

Hewlett-Packard scored sizable sales & profit gains in 1962 fiscal year ended Oct. 31 (see financial table) & expects earnings & volume in fiscal-1963's first half to be "substantially better" than in 6 months ended last April 30. Financial vp W. F. Cavier noted, however, that incoming orders are "off more than usual" for this time of year, "enough so that we're concerned about it but not worried." New products planned for 1963 include a frequency synthesizer, pulse generator, oscilloscope. Synthesizer, which produces frequencies via pushbutton panel, is expected to hypo sales in fiscal-1963, "but more so in 1964," Cavier said.

Muntz TV's net worth at close of fiscal-1963's first quarter Nov. 30 (Vol. 2:53 p11) increased "by over $4 million" in 5-year period since Nov. 30, 1957, Pres. Walter A. Keil reported to stockholders. Net worth totaled $2,561,846, after a retained-earnings deficit of $1,598,530. Five years earlier, net worth was a minus $1,679,240, after retained-earnings deficit of $4,502,424. Muntz TV's current assets (Nov. 30, 1962) totaled $3,307,719, including $186,082 cash & $995,653 net accounts receivable. Current liabilities were listed at $997,709.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
A. C. Nielsen	Q	$0.15	Feb. 1	Jan. 14
Ford	Q	.45	Mar. 1	Jan. 30
Transcontinent TV-B	Q	.12½	Feb. 15	Jan. 31

NAB LIBRARY JAN 21 1963

WEEKLY **Television Digest**

JANUARY 21, 1963 NEW SERIES VOL. 3, No. 3

Albert Warren, Editor & Publisher, 911 - 13th St., N.W., Washington 5, D.C., Sterling 3-1755
David Lachenbruch, Managing Editor, 580 Fifth Ave., New York 36, N.Y., Circle 6-2215
Harold Rusten, Associate Editor, 111 Beverly Rd., Overbrook Hills, Philadelphia 51, Pa., Midway 2-6411
Michael H. Blake Jr., Assistant Editor, Washington. **Charles Sinclair, Contributing Editor,** New York

Arnold Alpert, General Manager, Washington

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

NAB CONFIDENCE IN COLLINS—3-YEAR CONTRACT voted. Continued study of cigaret commercials planned, CATV licensing sought, changes in 'men in white' commercials, other board actions (p. 1).

SHERIDAN INTO TOP FCC BROADCAST SLOT, Rawson chief of renewals & transfers, Kessler to opinions & review, Barr probable as safety & special chief (p. 2).

FTC ASPIRIN STUDY GIVES MAKERS HEADACHE. Report citing little significant difference between 5 leading analgesics causes uproar. Commission charges Sterling Drug with false advertising of study's results (p. 2).

ROUND ONE FOR ASCAP in legal duel with TV station commitee, as Supreme Court refuses to hear appeal on move to change licensing system. Broadcasters hope to pursue action in Circuit Court (p. 3).

BIG AIRBORNE ETV EXPANSION IN WORKS: MPATI seeks 6 channels to provide 180 hours of programming weekly on permanent basis (p. 3).

Consumer Electronics

TUNER MAKERS READY for uhf transition, already cutting prices to attract OEM business in anticipation of all-channel law. Need seen for simple tuning device. Tuner makers entering converter business; converter makers plan to reciprocate (p. 7).

GOVT. ZEROS IN ON FRANCHISING RESTRICTIONS: Numerous cases, such as Justice Dept.'s against White Motor Co. which went to Supreme Court last week, may bring sweeping changes in traditional marketing systems (p. 8).

REVISED COLOR TIMETABLE, as result of RCA changes in tube schedule, now has 19- & 25-in. rectangular bulb samples due 2nd half of 1963. Large-scale output of tubes by RCA's competitors seen starting this summer (p. 9).

U.S.-MADE TINYVISION is coming, with at least 2 manufacturers now definitely planning small-screen sets keyed to low price, personal viewing (p. 9).

HIGH NOV. SALES reflected in EIA figures: TV up 16%, radio 20%, phonos 31% over Nov. 1961 (p. 10).

NAB CONFIDENCE IN COLLINS—3-YEAR CONTRACT: Gov. LeRoy Collins won again—against forces seeking to unseat him—when NAB board, meeting in Phoenix, voted new 3-year contract as president. Old contract would have expired Dec. 31; new one starts as of last Jan. 1.

NAB Chmn. Clair McCollough, announcing action, said: "We are delighted that Gov. Collins has agreed to continue as president, and the NAB is looking forward to 3 energetic & constructive years under his leadership."

Gov. Collins was also pleased with Board's reaction to his recommendation that cigaret commercials be changed to have less impact on youth. Continued study of situation was voted, and Collins said: "I feel quite encouraged about the progress being made in this matter up to this time. I am confident that this action is a sincere and good faith effort on the part of the broadcasters to deal with this subject constructively."

Though some NAB members have been unhappy with Collins's views on cigaret advertising, they'll be mighty pleased with his speech in Omaha Jan. 23. It's understood he'll blast FCC, in strongest language to date, for calling a hearing on local-live programming there—to be conducted by new Comr. Henry. Among other board actions in Phoenix:

• Tightened TV Code re "men in white" commercials, effective July 1. New provisions prohibit use of physicians, dentists, nurses or "other practitioners of the healing arts" from appearing in commercials. Previously, Code had prohibited only actors portraying such medical professionals.

• Again called for federal CATV regulation & licensing (see p. 4).

• Ratified appointment to TV Code Board, of Douglas L. Manship, WBRZ Baton Rouge (succeeding Mrs. A. Scott Bullitt, ineligible for appointment after 2 terms) and reappointment of Lawrence Rogers, Taft Bcstg.

• Approved Code amendment permitting "limited waivers" of time standards for programs "presenting women's services, features, shopping guides, fashion shows, demonstration & similar material with genuine audience interest." Code Authority will consider each "on its own merits."

Among Radio Board actions: (1) Voted to collaborate more closely with RAB & NAFMB, the sales promotion groups. (2) Approved Radio Code Board reappointments of Elmo Ellis, WSB Atlanta; Richard Dunning, KHQ Spokane; Robert Pratt, KGGF Coffeyville, Kan.; Herbert L. Krueger, WTAG Worcester. (3) Heard Ben Strouse, WWDC-FM Washington, report that NAB comments in FCC's FM rule-making "will call for a more positive declaration on existing FM stations' so-called 'grandfather' rights to their present power and support a mileage separation plan with strict 'go-no-go' administration."

SHERIDAN INTO TOP FCC BROADCAST SLOT: James B. Sheridan will be new chief of FCC Broadcast Bureau, most powerful position at Commission in TV-radio, next to commissioners. Appointment hasn't been announced yet, won't take effect until incumbent Kenneth Cox moves up to commissionership. Cox's nomination was sent to Senate last week, and date of hearing hasn't yet been set. Nomination is for both remainder of Craven's term, ending June 30, and full 7-year term.

Also selected last week, and still unannounced: Robert Rawson, shifting from chief of hearing div. to chief of renewals & transfer div.; Sylvia Kessler, from acting chief of renewals & transfers to chief of opinions & review office. James Barr, asst. chief of Broadcast Bureau, is expected to be named chief of Safety & Special Bureau; if he isn't, job will go to acting chief Irving Brownstein. Vacancies left by foregoing shifts haven't been filled yet.

Sheridan is an economist, first such to get top Broadcast Bureau job. Veteran FCC employe, he joined agency in 1941, served in economics div. until then-Chmn. Ford made him his special asst. in April 1960. When Minow became chairman, he kept Sheridan in the slot.

Sheridan has long been known as one of Comission's best informed employes, has phenomenal knowledge of development of policies.

He's 47, native of Newark, attended Rutgers & Columbia. He's Roman Catholic, father of 3 sons, a daughter. One of best-liked FCC staff members, he's known for sparkling wit.

His regulatory philosophy? A strong FCC.

FTC ASPIRIN STUDY GIVES MAKERS HEADACHE: Study financed by Federal Trade Commission, which reported no significant difference in pain-relieving ability among 5 leading analgesics, has makers of all 5 unhappy.

Tests were conducted on Bayer Aspirin, St. Joseph's Aspirin, Anacin, Bufferin & Excedrin at Baltimore City hospitals, with findings published in Dec. 29, 1962 *Journal of the American Medical Association.* Study reported all 5 about equally effective in curbing pain but that aspirin & Bufferin cause fewer stomach upsets than Anacin or Excedrin.

Sterling Drug Co., maker of Bayer, wasted no time blanketing TV & newspapers with advertisements citing study as proof its product is just as good as, possibly better than, higher-priced competitors. Last week, FTC slapped false advertising complaint against Sterling & agency Dancer-Fitzgerald-Sample. Commission said that contrary to ads, study has not been endorsed or approved by govt., American Medical Assn. or medical profession. Agency also charged that ads had falsely claimed Bayer was found to be gentler than other remedies. Commission plans to seek temporary restraining order to halt ads.

Sterling immediately denied FTC charges, said ads were "carefully prepared and thoroughly scrutinized for accuracy in reporting" before release. It added that FTC action was "surprising" in view of fact Commission still has pending charges against Sterling competitors for claims that their products are more effective than aspirin.

In other action, FTC relaxed rules to give witnesses' attorneys more voice in closed hearings. At present, lawyers may participate only to extent of advising witnesses off record. Under new rules, counsel may explain for record why he has advised client not to answer questions. He also may object to questions & request clarification of any answers he believes are incomplete. But Commission warned that "obstructionist" tactics by attorneys may cause expulsion from hearing.

ROUND ONE FOR ASCAP: Next move by broadcasters in running duel between All-Industry TV Station Music License Committee and ASCAP (Vol. 2:41 p6) will be in 2nd Circuit Court of Appeals (N.Y.)—or so All-Industry group was hoping late last week.

Supreme Court rejected All-Industry appeal earlier in week to have high court rule on plea to change system under which TV stations used copyrighted music. "We're disappointed, but don't forget that the Supreme Court did not rule on the merits of our appeal," we were told by Hamilton Shea, Committee chmn. & pres. of WSVA-TV Harrisonburg, Va.

Motion has been filed by Committee with Supreme Court to transfer appeal to Circuit Court. If Supreme Court accepts, this will mean, in effect, that All-Industry group is right party to bring appeal, but had brought it to wrong court. Action in lower court "might be over and done with by June," we were told by Committee source in N.Y.

ASCAP admitted it was "pleased" by Supreme Court's refusal to hear industry group's appeal, and said via legal spokesman that "all contracts will continue in status quo" meanwhile. ASCAP has indicated in past in might revise "blanket license" system under which TV industry now pays some $19 million annually to ASCAP—if stations & broadcasters divested holdings in BMI, arch-rival of ASCAP.

Committee still has much faith in merits of its case. "What we really want to do," said Shea, "is to put the user & supplier of music for broadcast purposes together, since music is an area on which there can be little bargaining at present in TV." If such bargaining position is achieved—i.e., "blanket-licenses" for individual shows but not for entire station schedule—via court action, there is provision with ASCAP to make final rate retroactive to start of 1962.

• • • •

On another TV music front late last week, American Federation of Musicians announced new 3-year labor agreement covering musicians working in TV-radio commercials. Contract replaces present union pact expiring Jan. 31, will cover both U.S. & Canadian musicians.

Key points of new contract: (1) No non-union foreign music in commercial soundtracks. (2) 5% wage hike for first 2 years, 2½% hike 3rd year. (3) Elimination of rehearsal time. (4) Re-use payments after 13 weeks. (5) General contract benefits for music copyists & extensions of musicians' pension benefits to 1966. (6) Extra payments for musicians who "double" instrumentally on jingles.

BIG AIRBORNE ETV EXPANSION IN WORKS: Three-year-old Midwest airborne TV instruction project has asked FCC for 6 permanent uhf channels, proposes to begin regular operation broadcasting 180 hours weekly to thousands of schools & colleges in Sept. 1965.

Project has been operating on experimental basis, telecasting from circling aircraft on Ch. 72 & 76 to schools in 140,000 sq. mile area which includes parts of Ill., Ohio, Mich., Ky., Wis. & Ind. Coverage area has some 7.2 million students. Program initially was operated by Purdue U. Research Foundation, last year incorporated as independent organization, Midwest Program on Airborne TV Instruction Inc.

Since project's operating permits expire in April, FCC is expected to take quick action on request. MPATI officials indicate that if the 6 channels aren't granted, the project may be dropped; they believe that 2 channels provide insufficient coverage.

Plane now carries 2 transmitters, 2 video tape recorders. Under 6-channel system, tape recorders would be ground based, feeding signals to plane via STL link.

In petition to Commission, MPATI stated that expanded airborne system will provide adequate coverage far more cheaply than similar system of ground stations. Estimated capital cost of airborne facility is $6,318,000, compared with $20,195,000 for ground-based system. Estimated annual operating costs for technical facilities are $2,650,000 for air vs. $3,615,000 for ground.

CURRENT CAPSULES

Public inspection of station applications at station offices, proposed by FCC, was vigorously opposed by NAB. Association said: "We doubt, and and we believe the Commission will concur, that the responsible individuals in a community will be at all interested in thumbing through the details of pending applications. Experience shows that if such persons or groups have a legitimate complaint to make either to the station or to the Commission, the information relied upon to form the basis of the charge is not to be found in the application, amendments on file with the Commission, but in the performance & operation." NAB said station competitors, creditors and "others with only a private axe to grind" would be most interested in nosing documents.

On behalf of his firm, attorney Harry Plotkin delivered blistering comments typical of industry reaction, including: "[I am] aware of no business or industry—even public utilities & other businesses which involve a public trust and which are regulated as closely as the broadcasting industry, if not more so—which is required to turn a substantial portion of its files into a public library to the extent the Commission is proposing." He said stations can better spend time on programming than in maintaining & preserving files, answering questions about them, etc. He suggested either that such files be kept at FCC regional offices or that rules be changed to require stations to give more programming detail when broadcasting & publishing notice of filing of applications.

———■———

Compromise on CATV legislation, being explored in some quarters (Vol. 3:2 p2), "is news to me," according to NCTA Pres. William Dalton. "Our policy," is that there is no need to regulate a situation which, in effect, no longer exists. NCTA is aware that there are very few locations where problems between CATV & telecasters haven't been worked out. There are more & more broadcasters getting interested in CATV and there is growing understanding between the 2 groups." However, NAB last week reiterated its belief that federal regulation is necessary, adopting formal statement to that effect at board meeting in Phoenix. NAB said that TV Board Chmn. William Quarton, WMT-TV Cedar Rapids, will appoint a special committee "to study the future of TV, particularly in relationship to CATV systems."

———■———

President Kennedy seems happy with report on regulatory agencies by Administrative Conference of U.S. (Vol. 3:1 p3). Last week, he wrote Chmn. Judge E. Barrett Prettyman (whose vice chmn. is FCC Gen. Counsel Max Paglin): "The excellent report . . . contains many valuable suggestions for improving administrative procedure, and I have instructed the appropriate govt. departments to consider them and report to me upon the best method to assure their implementation. I am confident that actions on these recommendations will contribute materially to improved administration . . ."

———■———

Color TV line may be cracked in Canada. Two TV networks & Canadian Bcstrs. Assn. have endorsed proposal to form industry-wide committee to study introduction of color TV into country. Canadian Bcstg. Corp. Pres. J. Alphonse Ouimet told Color TV Committee of Board of Broadcast Governors that study group should include representatives from BBG, Dept. of Transport, color set manufacturers, CBC & CTV TV networks, advertising firms & Bell Telephone Co. Both Ouimet & CTV Pres. Spence W. Caldwell urged Board to hold off decisions on color until more information is available. CBA Pres. Don Jamieson said committee possibly could make decision on whether to go ahead with color after a year's study.

Payment of $523,000 by NBC to Philco for expenses, after latter's pulling out of Ch. 3 fight in Philadelphia (Vol. 3:2 p4), should not be authorized by FCC—according to Commission's Broadcast Bureau, which said: "On all of the facts, we cannot escape the conclusion that a serious question exists as to whether in fact the activity of Philco in advocating its application, was for the purpose of enhancing its bargaining position, vis-a-vis RCA, in the civil anti-trust suit." At the moment, betting at Commission is that payment won't be authorized.

New Pay-TV Group Files With SEC: Home Entertainment Co. of America Inc. & subsidiary Home Entertainment Co. of Los Angeles filed registration statement (SEC File 2-21017) for 230,000 common shares on the subsidiary & 23,000 5-yr. common purchase warrants on parent. Warrants are exercisable at $10 per share. Units consisting of 10 shares & one warrant will be offered to public at $100 per unit through underwriters Bernard M. Kahn & Co., N.Y.

Company was organized in Sept. 1962 to develop & promote pay-TV system in Santa Monica, Cal. Prospectus points out that system hasn't been installed or tested, said there is no assurance that it's commercially feasible. Proceeds of sale will be used by subsidiary to establish system serving 20,000 subscribers in Santa Monica and to provide working capital. Parent company has 211,200 common shares outstanding, of which Pres. Oliver A. Unger owns 25.4%, Bernard M. Kahn, a dir., 18.9%, and management officials as a group 61%.

—■—

Quick hearing on satellite communications was called for Jan. 29 by Chmn. Magnuson (D-Wash.) & Sen. Pastore (D-R.I.) of Commerce Committee. Purpose, they said, was to find out what went wrong with Telstar & Relay when they were silent. Testimony will be offered by FCC, NASA, AT&T, RCA. Meanwhile: (1) AT&T said Telstar II will probably be launched in May, have 5,000-mile apogee, compared with 3,100 miles for Telstar I. (2) ITT, using Relay Jan. 17, carried exchange of phone messages between Secy. of State Rusk and Brazilian Prime Minister Lima. Transmissions were between Nutley, N.J. & Rio de Janiero. (3) In Jan. 19 *TV Guide*, AT&T expert J. R. Pierce, echoing Western Electric Pres. H. I. Romnes (Vol. 2:47 p3), said that the great improvements in transistors may "give us commercial transoceanic TV first" if there are delays in satellite development.

Add bills introduced: (1) HR-43 by Bennett (D-Fla.), to set up U.S. Administrative Court to handle adjudicatory matters of regulatory agencies. (2) HR-2054, Scott (D-N.C.), to repeal excise tax on amounts paid for communications services or facilities. (3) HR-2096, Huddleston (D-Ala.), to prohibit charging of fees to view telecasts in the home. (4) S-251, S-252, Sen. Pastore (D-R.I.), to suspend equal time for 1964 Presidential & Vice Presidential campaigns, and to amend Communications Act to make Sec. 315 non-applicable to candidates for those 2 offices plus Congressmen & state Governors.

False advertising charge was leveled at American Home Products Corp. for its "Outgro" TV commercials (Vol. 2:17 p4) by FTC examiner. Citing experts' testimony that preparation is ineffective in treating ingrown toenails, Examiner Andrew C. Goodhope ordered company to stop using name "Outgro," and making false therapeutic claims.

FCC's budget for fiscal 1964, submitted by President last week, totals $16.5 million, up $1,525,000 from last year's $14,975,000. Technical research would go from $918,000 to $1,181,000; broadcast from $3,144,000 to $3,756,000; safety & special, $1,504,000 to $1,573,000; field engineering & monitoring, $4,007,000 to $4,914,000; common carrier, $1,660,000 to $2,071,000; executive staff & services would be cut back from $3,520,000 to $3,155,000. FTC would get $13,028,000, up $1,446,000 from last year's $11,582,000. U.S. Information Agency seeks $146,550,000, compared with $122,536,000 year ago. This includes $27,642,000 for broadcasting service, up from 1963's $23,349,000, and $7,102,000 for TV vs. $3,920,000 a year ago. Office of Emergency Planning's Telecommunications Div. wants $653,000, compared with last year's $401,000. Health, Education & Welfare Dept. would get $7 million to launch its ETV program. Of this, $2 million actually would be supplemental appropriation for 1963.

FCC speakers: Chmn. Minow — Jan. 22, Americana Hotel, N.Y., at Fund for Republic session on "Challenges to Democracy in the Next Decade," along with Britain's Lord Francis-Williams. Alicia Patterson, publisher of *Newsday*, presides. Panel includes Pat Weaver, McCann-Erickson; William Benton, Encyclopedia Brittanica; Barry Bingham, *Louisville Courier & Times*. Comr. Bartley—Jan. 22, FCC meeting room, to business executives attending Brookings Institution conference on federal govt. operations. Comr. Henry—Jan. 24, U. of Ga., at Georgia Radio-TV Institute.

Annual communion breakfast of Washington's Catholic Apostolate of Mass Media (CAMM) is scheduled for Feb. 10, with services at St. Patrick's Church, breakfast at Willard Hotel. CAMM Pres. FCC Comr. Robert E. Lee says "this is going to be a big one." Speaker will be Bishop Fulton Sheen, to be introduced by FCC Chmn. Newton Minow. Pres. Kennedy was invited, couldn't make it. Among those expected are Supreme Court Justice Brennan, Attorney General Kennedy, HEW Secy. Celebrezze. Ticket sales are handled by Thomas Wall of Dow, Lohnes & Albertson law firm.

Keene, N.H. CATV system has been sold to New England Video by Al Ricci, price not disclosed. System serves 2,300. Ricci also owns other New England systems. Daniels & Assoc. was broker.

Entron Inc., CATV equipment maker, has amended its anti-trust suit against Jerrold Electronics, hiking treble damages sought from $500,000 to $7.5 million. Suit pends in District Court for District of Columbia.

Grant of Ch. 3 Wilmington, N.C. to Cape Fear Telecasting Inc. has been recommended by FCC Examiner Isadore A. Honig after competitor WKLM-TV withdrew.

WNJU-TV will be call of new Ch. 47 New Brunswick, N.J. station due to start late next year.

Personals

Donald H. McGannon, Westinghouse Bcstg. pres., reappointed chmn. of "Broadcasters for Radio Free Europe" committee . . . **J. W. Knodel,** Avery-Knodel pres., appointed an SRA dir.

Louis Dorfsman, CBS-TV sales promotion & advertising creative dir. & art. dir., receives Printing Industries of Philadelphia Gold Medal Award for CBS-TV promotion booklet "It Was an Unprecedented Seven Days of TV."

Neal K. McNaughten, former NAB engineering dir., ex-RCA & Ampex, recently operator of own management consultant firm in Los Altos, Cal., rejoins FCC as engineering asst. to Comr. Bartley.

George Patrick promoted to ABC-TV program & commercial production mgr., Edward Andrey to ABC art mgr. . . . **Frank Browne** promoted to KTTV Los Angeles N.Y. sales & marketing dir.

Larry LeSueur, CBS News correspondent, granted year leave of absence to join USIA in broadcast & administrative post in Washington.

D. G. Smee promoted to Marconi Co. asst. gen. mgr. . . . **Gene Malone** promoted to H-R TV asst. sales mgr., Western stations.

Stanley Lichtenstein, ex-KTVU San Francisco-Oakland, appointed TV programming development dir. for Kaiser Industries' uhf stations.

Jack Frazier, Crosley Bcstg. corporate advertising & sales promotion dir., also named head of merchandising & publicity; **Andy Niedenthal** promoted to merchandising dir.; **William J. McCluskey** advances to "50-50 Club" client service dir., a new post.

Frank Parrish promoted to Gates Radio sales promotion mgr. . . . **Richard Schaller** promoted to WGR-TV Buffalo local sales mgr.

Robert N. Vendeland promoted to Giannini Controls Conrac Div. sales mgr., a new post . . . **Leo Willette** promoted to WWL-TV New Orleans public affairs dir.

Jack E. Krueger, WTMJ-TV-AM-FM Milwaukee news editor, elected Milwaukee Press Club pres. . . . **Hugh Smith,** ex-WHAS-TV & WHAS Louisville news editor, named KVTV Sioux City news dir.

Robert Kennedy promoted to KNBC Los Angeles advertising & promotion mgr., succeeding **Michael W. Gradle** . . . **Donald F. Barton,** ex-Rodgers, Newman & Barton agency, Columbia, S.C., appointed WIS-TV PR & promotion dir.

John T. Bradley promoted to H-R TV vp . . . **Tom Burkhart** promoted to WTVJ Miami local sales mgr., succeeding **Frank Boscia,** who becomes senior account exec.; **Jim O'Rourke** succeeds Burkhart as asst. national sales mgr.

Sam Zelman, ex-KNXT Los Angeles & CBS TV Pacific Network news dir., appointed KTLA news & public affairs dir., succeeding **Irwin Rosten,** who returns to KTLA as documentary dept. dir.; **Roy Heatley** promoted to Zelman's KNXT post.

Lawrence P. Fraiberg elected WTTG Washington vp & gen. mgr., succeeding **Donn Colee,** resigned to negotiate for purchase of own TV station . . . **Ian N. Wheeler** promoted to educational WETA-TV Washington operations mgr.

TAC Takes Off Strong: State-of-the-Union is healthy at TV Affiliates Corp. (Vol. 2:34 p3), TAC vp Robert Weisberg reported last week in N.Y., with net profit of $31,000 due to be returned to local stations which were producers of TAC-distributed syndicated TV shows during 1962. One station (WBNS-TV Columbus) will receive $2,300 for showing of its "Strategic Air Command" documentary.

Weisberg also announced addition of 2 major industry names to TAC advisory committee: Sylvester L. (Pat) Weaver Jr., McCann-Erickson International chmn., and Gordon Gray, pres. of WKTV Utica-Rome. Advisory committee now consists of 9 men, mostly veteran broadcasters.

Subscriber list of stations stands at more than 50, with 1963 renewal rate of 90%. TAC is shooting for mid-1963 level of 75 stations, plans to take on some 52 programs for its library during year. Among other TAC plans for year: (1) Interchange between stations of examples of women's and children's shows, as well as local weather & newscasts, as idea generators. (2) Expansion into foreign syndication market.

—■—

A top management post in new Space Communications Corp. (Vol. 2:53 p5) may go to Air Force Undersecretary Joseph V. Charyk. Spokesman for group confirmed that Charyk, a top Air Force authority on technical research, is being considered. NAB Pres. Collins & spokesman for space organization both denied reports that Collins was being considered for post. Rochester Telephone Corp. recently became first common carrier to file with FCC for authorization to purchase stock in new firm.

Tele-Beam projection TV system, developed by Waltham Precision Instrument Co. (formerly Waltham Watch Co.) will be demonstrated 10 a.m.-5 p.m. Jan. 22-23 in N.Y.'s Summit Hotel by Tele-Measurements Inc., distributor of the system. Tele-Measurements Pres. J. R. Poppele is plugging system for "programming, advertising & promotion uses by broadcasters, exhibitors, independent TV producers & packagers, advertising agencies and public relations firms."

Bob Hope will receive 2 top broadcasting awards at ceremonies this Spring. NAB Distinguished Service Award will be presented by Pres. Collins at annual convention in Chicago March 31-April 3. International Radio & TV Society's 1963 Gold Medal will be awarded to the NBC comedian at group's 23rd annual banquet in N.Y. March 6.

Fifth annual KMTV Omaha TV Award will be presented at dinner at Blackstone Hotel Jan. 28. It goes to Omaha person or persons who performed "most outstanding service to the public through TV" during 1962. NBC News White House Correspondent Ray Scherer will speak.

Broadcast Pioneers 1963 "Mike Award" banquet will be held Feb. 25 at Americana Hotel, N.Y., radio WSB Atlanta receiving the award. Tickets are $25, proceeds going to Broadcasters' Foundation.

Mich. legislature will be covered regularly by WOOD-TV & WOOD Grand Rapids. News Dir. Dick Cheverton announced newsman will be assigned to Capitol Bldg. to feed direct report to stations.

New CBS News Washington hq will be established at 2020 M St., N.W. Dept. will move from present location at affiliate WTOP-TV's Broadcast House in early 1964.

KTEN Ada, Okla. & KTTS-TV Springfield, Mo. name Select Station Representatives national rep.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

TUNER MAKERS READY FOR UHF TRANSITION: There's heavy bidding for TV manufacturers' uhf business by the 4 major vhf tuner manufacturers when all-channel law goes into effect next year—and it's possible that several more companies will enter tuner field in next few months.

Roundup of tuner & uhf converter manufacturers shows substantial agreement on few points: (1) Prices of uhf tuners have come down already and will be reduced further with large-scale production, but probably not enough to cut the $25-$30 differential between vhf & all-channel sets. (2) Substantial improvements in uhf tuner noise level & reliability have been made in last 3 years. (3) Biggest need now is for "simplified tuning" (pushbutton, detent, signal-seeking or other method) on uhf. (4) Virtually all tuner makers hope to enter converter field, and converter makers are looking at tuner field.

Otherwise, there's tangle of disagreement, conflicting statements and proprietary secrecy among tuner manufacturers. On only one other fact is there at least some general concurrence—that 1963 will see continuation of trend to greater production of all-channel sets, but no groundswell. Such production last year totaled about 590,000 receivers, greatest since 1957.

General Instrument has been biggest manufacturer of uhf tuners. Other 3 tuner makers—Standard Kollsman, Sarkes Tarzian & Oak Mfg. Co.—have been in & out of uhf business. The 2 major uhf converter makers are Blonder-Tongue & Gavin Instruments. Here are some of the opinions of these manufacturers:

Nobody's tipping his hand in advance, of course. But with one exception—which may become major exception—tuner makers say 1964 will not see any major tuning innovations reach retail-counter stage. The exception is Gavin Instruments, year-old Somerville, N.J. converter maker, which will enter OEM tuner market, according to Pres. Joseph Kerner, with new tuner offering "simplified positive channel identification" at price competitive with regular continuous radio-type tuners. He declined to elaborate, except to state that industry would be sampled within 90 days and marketing could start 2 months after receipt of orders.

Other uhf tuner manufacturers were inclined to scoff. Even Vice Chmn. Monte Cohen of General Instrument, which demonstrated pushbutton tuner last summer (Vol. 2:31 p8), said he feels vast majority of all-channel sets introduced in 1964 will be of conventional continuous-tuning type. "While pre-set devices may have real sales appeal," he said, "they will add reasonably to costs, which will be a deterrent in early all-channel selling." He added that he expects "limited introduction of tuning aids" in 1964. GI has shown both 4-button & 6-button mechanical pushbutton tuners.

"Easy tuning is the largest problem in uhf," we were told by Standard Kollsman engineering vp Fred Edwards. He said S-K had several simplified tuning approaches in mind, but he saw "no volume availability to the consumer in 1964." For remote-control sets, he predicted many manufacturers would continue use of uhf strips in vhf tuner—along with legally required all-channel tuning.

"Pre-selection is the 2nd phase," said Oak tuner product mgr. Paul A. Wheaton. He told us Oak is working on mechanical device which will permit advance selection of 8 or 12 channels on dial, but that there was little possibility of producing such devices of good quality at reasonable cost before late 1964. Oak's continuous tuner will be available, he said, around end of first quarter.

Are any electronic breakthroughs in sight? Set manufacturers are anxious to get "single tuner"—vhf & uhf combo using same oscillator and in same package. Tuner makers all say this is at least 2-4 years off.

As to transistorized tuners, there are various schools of thought. Nuvistor tube is featured in many of

the new designs, and here's what tuner makers say about using transistors or other semiconductors for oscillator: "We are now sampling a transistor tuner to the industry, with an interesting price; its principal advantage is reliability" (GI's Cohen). "We are now designing a transistor tuner for later this year" (Oak's Wheaton). "We're examining the pros and cons of transistors; cost will be somewhat higher" (S-K's Edwards). "We're working now on a radical departure, which won't use a transistor but another type of semiconductor" (Gavin's Kerner). "Transistor tuners with excellent noise figures are available today—but at a large price; money will solve anything" (Blonder-Tongue Chmn. Isaac Blonder).

Uhf tuner pricing situation is interesting. Already there's price war going on. This may be because demand is now relatively low, but all suppliers know that in 1964 market will suddenly swell to between 6 & 7 million. Therefore, everybody's jockeying for customers now in preparation for 1964's big payoff. Everybody's furiously trying to match everybody else's lowest price on low-end tuners.

"Our uhf tuner will be in about the mid-$6 bracket," down from previous $7, Sarkes Tarzian Inc. Pres. Sarkes Tarzian told us. Oak's new tuner is tentatively penciled in at "$6.50 or lower." GI has already instituted "important price reductions in anticipation of volume production."

Largest manufacturer of uhf converters, Blonder-Tongue, is looking at OEM tuner business. But Isaac Blonder sums it up this way: "It's a tough field. All TV manufacturers are capable of making their own. As tuner suppliers, we'd have to exist in the Never-Never-Land between their profit and ours."

Tuner manufacturers almost unanimously say they have entered or will enter converter business. Tarzian is in single-channel converter manufacture (for distribution by uhf stations). GI is "currently building converters on contract and will announce our own converter line soon." Standard Kollsman is "getting into the converter business through parts jobbers and private label." Oak has given up entry into converter business on its own, but is now tooling up tuners for converters made by others.

Converter makers agree their business has felt a lift recently, but discount theory that all-channel law has had "psychological" impact. Sales of converters, they agree, are directly dependent on new uhf stations going on air.

GOVT. ZEROS IN ON FRANCHISING RESTRICTIONS: Sweeping changes in traditional marketing procedures may be forced by rash of govt. investigations of franchise system. In various Federal Court cases throughout country, Justice Dept. & FTC are charging that some franchise agreements are peppered with illegal restrictions that limit competition. Of special importance is govt. case against White Motor Co. which went before U.S. Supreme Court last week.

"Anti-trust policemen claim restrictions in franchise contracts often tend to undermine the merchant's independence & make him a tool of the bigger company," noted Jan. 14 *Wall St. Journal* in comprehensive wrap-up. "Among other things, it's said, certain franchise operators illegally attempt to free their dealers from competing with one another — by establishing common prices for all or by granting dealers territorial monopolies."

White case likely will be bellwether of "intensive legal barrages" which Justice Dept. & FTC are directing "at what they consider franchising abuses," *Journal* said, adding: Supreme Court decision (expected before June) favoring govt. "could encourage a broader attack."

Here's significance of White case, as seen by *Journal:* "When White Motor admitted its contracts [with distributors] restrict sales territories, customers and sometimes prices, a Federal Court in Ohio refused to let the company try to justify these practices when it ruled such limitations are a curb on competition & illegal in themselves." Continued *Journal:*

"A key question in the case now is whether the govt. must prove that the granting of exclusive sales territories or the setting of dealer prices unlawfully restricts competition, or whether it may simply show that such practices prevail & obtain a court order against them, as it did in the White suit in the district court. If the Supreme Court upholds the lower court, which took the view that the territorial & price restrictions were illegal on their face, the effect could be a death blow to contracts restricting franchised dealers to well-defined markets or setting their prices."

REVISED TIMETABLE FOR COLOR: When RCA shelved its plans to make 90-degree round color tubes and decided to continue present 70-degree model for at least 9 more months (Vol. 2:49 p7), it indirectly altered another color tube timetable.

This was Corning Glass's schedule for sampling industry with 19- & 25-in. rectangular color bulbs. Original target for sampling was early 1963. Now this has been pushed to last half of year—"summer at the very earliest," according to Corning.

Postponement is due to lack of facilities at Corning, which had hoped to use equipment idled by RCA's changeover period to produce sample bulbs. Now, instead of changing over to new tube, RCA has accelerated production of 70-degree bulbs. RCA's decision last Nov. 30 not to switch caught Corning by surprise—as it did rest of industry—and Corning had job of making up for lost time by going back into heavy production of color bulb it thought would be discontinued. Thus Corning is straining its facilities now to meet RCA requirements for 70-degree round color bulbs.

If rectangular bulbs are sampled during last half of '63, production couldn't begin until mid-1964 at earliest. Whether RCA will go to 90-degree round tube or directly to rectangular from current tube is still mystery—perhaps to RCA as well as rest of industry. Its announced postponement was 9-15 months, which would mean tube could be put into production some time between Aug. 1963 & Feb. 1964. Present schedules indicate that such a new tube might have less than year to run before rectangular becomes available—unless severe technical difficulties are encountered in development of rectangular tube from Corning bulb.

• • • •

Three tube makers are getting ready to give RCA competition in color tube field, all of them in some type of pilot or lab production now. It's good guess that Rauland & National Video will be approaching large-scale production this summer and Sylvania will reach big-quantity output by last quarter of year.

Same RCA-type 21-in. round bulb with 70-degree deflection will probably be produced by all 3. Sole question-mark is National Video, still working with Motorola on 23-in. rectangular 90-degree color tube. Motorola will have color line by midyear, and decision on tube type is due in next few weeks. National Video is equipped to make either type, it's understood. Question at issue is whether 23-in. rectangular can be made with economy & quality comparable with present round tube.

Note: That off-again-on-again price increase for black-&-white tubes is now accomplished fact. Together with other component material & labor cost rises, it will inevitably effect TV set prices next year.

U.S.-MADE TINYVISION IS COMING: At least one new size in American-made TV sets can be expected this year. Two, and possibly more, U.S. set makers have finalized on small-screen 110-volt TV set models which can be expected to compete directly, in both purpose and price, with Japanese imports.

One month ago, we reported "every major American TV manufacturer is giving some consideration" to tinyvision, and that virtually all had asked for or received sample tubes or submitted specs for special tube designs. At that time, we also reported that "principal set maker interest centers on bulbs of 10-in. size—which might better be called 11-in. because that's diagonal measurement of square-corner version."

Only change in situation is that it's more definite. Two manufacturers have decided to go—one quite soon and the other probably this summer. There's no evidence that any U.S. manufacturer is currently planning battery-operated TV. It's believed that those who get into tinyvision field will base appeal on light weight, "personal" viewing & low price.

TV-RADIO PRODUCTION: EIA statistics for week ended Jan. 11 (2nd week of 1963):

	Jan. 5-11	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
TV	137,773	66,146	133,927	203,919	213,991
Total radio	330,726	221,169	348,972	551,895	639,033
auto radio	156,119	107,014	136,661	263,133	260,018

HAPPY NOV. SALES: November was truly Thanksgiving month for TV-radio-phono industry. Official results, as tabulated in EIA's statistical scorekeeping, showed distributor sales of TV up 16%, radio up 20%, phonos up 31%, compared with Nov. 1961.

For first 11 months of 1962, distributor sales of TVs exceeded comparable 1962 figure by 9%, radio sales were ahead 6%, phono sales 18%. Distributor sales of radios (excluding auto) passed 10-million mark in Nov., while production of FM radios hit cumulative figure of 1 million during same month. Here are EIA's official 11-month 1962 figures, with comparable 1961 data:

TV-RADIO DISTRIBUTOR SALES

Month	Black-&-White TV 1962	Black-&-White TV 1961	Radio (excl. auto) 1962	Radio (excl. auto) 1961
January	465,836	403,570	562,869	471,518
February	521,275	428,705	697,893	640,379
March	580,876	500,597	917,236	853,197
April	364,742	347,800	809,499	672,756
May	310,799	349,098	772,479	735,692
June	480,510	461,974	1,040,598	997,321
July	449,528	409,561	921,089	754,950
August	518,451	465,500	848,881	897,411
September	731,100	683,302	1,255,346	1,310,156
October	611,763	583,917	1,063,014	1,105,449
November	630,487	541,833	1,280,599	1,068,313
TOTAL	5,665,367	5,175,857	10,169,503	9,607,142

BLACK-&-WHITE TELEVISION PRODUCTION

Month	Total 1962	Total 1961	UHF 1962	UHF 1961
January	488,869	367,935	39,609	25,270
February	541,494	444,418	46,715	24,514
March	659,251	497,458	48,323	21,450
April	510,587	405,808	51,107	19,095
May	474,647	470,399	39,609	22,782
June	620,653	615,118	50,283	34,641
July	336,409	383,378	28,359	23,233
August	500,693	514,674	44,862	33,946
September	731,517	694,580	70,299	41,253
October	569,966	620,815	66,059	43,198
November	517,275	582,952	64,080	42,743
TOTAL	5,951,361	5,597,535	549,105	332,205

RADIO PRODUCTION

Month	Total 1962	Total 1961	Auto Radio 1962	Auto Radio 1961	FM 1962	FM 1961
January	1,350,630	1,090,073	530,589	387,136	76,510	50,421
February	1,464,797	1,115,029	480,232	307,973	84,216	41,357
March	1,810,417	1,384,052	607,510	384,227	81,010	75,044
April	1,472,654	1,124,924	519,296	375,570	63,193	51,260
May	1,444,074	1,196,949	504,846	408,875	62,292	49,705
June	1,721,873	1,626,263	629,004	518,010	92,287	88,808
July	1,134,250	1,030,399	403,946	320,128	68,037	48,114
August	1,253,753	1,385,101	427,747	451,374	98,609	69,090
September	2,196,371	2,048,698	887,104	591,493	165,433	110,174
October	1,835,914	1,796,391	695,680	576,529	149,554	95,318
November	1,735,274	1,730,761	729,187	588,343	147,894	125,184
TOTAL	17,420,007	15,528,640	6,395,141	4,909,658	1,089,035	804,475

PHONO DISTRIBUTOR SALES

Month	1962 Mono	1962 Stereo	1962 Total	1961 Mono	1961 Stereo	1961 Total
January	48,423	171,305	219,728	74,881	211,268	286,149
February	50,563	188,857	239,420	54,097	210,365	264,462
March	60,206	236,051	299,257	59,290	231,021	290,311
April	54,615	146,577	201,192	48,532	173,585	222,117
May	65,192	130,372	195,564	55,057	164,400	219,457
June	91,526	183,000	274,526	47,970	170,178	218,148
July	90,175	202,125	292,300	58,514	153,550	212,064
August	115,741	301,047	416,788	93,749	225,423	319,172
September	169,933	426,080	596,013	107,698	283,688	391,386
October	183,182	426,033	609,215	133,245	324,554	457,799
November	186,660	446,178	632,838	145,045	336,762	481,817
TOTAL	1,119,216	2,857,625	3,976,841	878,088	2,484,794	3,362,882

PHONO FACTORY SALES

Month	1962 Mono	1962 Stereo	1962 Total	1961 Mono	1961 Stereo	1961 Total
January	68,545	191,014	259,559	80,336	211,383	291,749
February	52,566	202,846	255,412	50,710	204,638	255,348
March	60,991	237,492	298,483	62,396	227,469	289,865
April	45,152	137,950	183,102	53,074	152,974	206,048
May	67,610	119,682	187,292	53,887	142,450	196,337
June	104,548	278,989	383,537	61,533	197,170	258,703
July	89,699	220,694	310,393	70,681	171,331	242,012
August	109,258	332,197	441,455	106,157	242,164	348,321
September	182,703	505,651	688,354	124,142	328,045	452,187
October	194,599	494,485	689,084	151,580	350,254	501,834
November	201,312	466,325	667,637	141,083	358,285	499,368
TOTAL	1,176,893	3,187,325	4,364,308	955.609	2,586,163	3,541,772

Distributor Notes: Olympic Radio & TV names Paul Hunter to new post of division sales mgr., responsible for all N.Y. state branch sales activities. He also continues as pres. of Olympic of Western N.Y., Buffalo • Symphonic appoints Radio Television Supply Co. Los Angeles-area distributor, succeeding Gough Industries which will handle V-M line • Peter J. Monahan, formerly Andrea Radio gen. sales mgr., named Pilot Radio regional sales mgr. for eastern seaboard; James M. Klivans named regional sales mgr. for midwest states • Robert Schmidt, GESCO Pittsburgh home entertainment salesman, named GE 1962 Portable Phonograph Salesman for selling 2,360 units during summer • Viscount Electronics appoints Sanford Miller Co. radio sales rep for Texas, Oklahoma & Arkansas • Philco Distributors has established Miami factory branch to handle territory formerly serviced by Crawford Distributors, has taken over latter's facilities at 6750 N.E. Fourth Court. Joseph Hairston named PDI-Miami gen. mgr., Robert Trathen, ex-Admiral, sales mgr. • Capitol Records Distributing Corp. names Ben Savoia N.Y. branch sales mgr., succeeding Joe Brown, resigned; James C. Blackwood appointed Detroit branch sales mgr., succeeding Dick Bushey, resigned.

New sets: Few new sets not previously announced were shown at Chicago Home Furnishings Market. An exception was Magnavox. In addition to new sets reported previously (Vol. 3:1 p8), Magnavox showed 19-in. wood-cabinet table model at $179.90, three 27-in. combos with Astro-Sonic solid-state sound circuits at $795 & $895, consoles ranging from $249.50 to $339.50. Westinghouse introduced 23-in. contemporary console, 19-in. portable and 9-transistor AM-FM portable radio (no list prices). Pilot radio entered new lower price field with 6 stereo phono-radio consoles at $299.50-$399.50. New Packard Bell line includes five 19-in. portables at $148.88-$209.95, three 23-in. table models at $209.95-$238.88, TV-stereo combo with FM stereo at $479.95-$529.95, two stereo consoles with FM stereo at $249.95-$425. High-end stereo has "swing-out" speaker enclosures which extend over-all width from 4½ to 7 ft.

Phono which can be played in any position or even while-you-walk—has been introduced by Channel Master. Transistorized battery set, which also contains radio, has spring clip on spindle to hold 45-rpm record in place. Drive wheel rotates record from its outer edge, and cartridge-stylus assembly, under spring tension, plays record from underneath. List price is $79.95.

Trade Personals

J. A. Winfield resigns Jan. 25 as Philco Consumer Products Div. special mktg. mgr. to join Knox Glass Co. as finance vp; **E. E. Bareuther** resigns same day as Philco asst. treas.

Roy J. Benecchi, ex-Lear vp, elected Capehart pres.; **J. D. Winer** is chmn.

George Simkowski resigns as pres., Webcor Sales Co.; no successor named . . . **Fred Zeller**, ex-Benton & Bowles, named to new post of ad & promotion mgr., Harman-Kardon.

Dr. Robert Adler, Zenith vp & associate research dir., appointed research dir., succeeding **Dr. Alexander Ellett**, who assumes new position of special scientific projects vp; **Erwin M. Roschke** named asst. dir., & admin. mgr. of research, **Dr. Bertrand Miller** asst. research dir.

Roy E. Drew, controller & asst. treas. of Plax Corp., returns to Sylvania as controller, succeeding **John E. Rhodes**, who recently resigned to become controller of Schlumberger Ltd. . . . **J. Robert Peltz**, ex-new products sales mgr., appointed photoconductor operations mgr., Sylvania Electronic Tube Div.

E. Finley Carter resigns as Stanford Research Institute pres., succeeded by **Dr. Karl Folkers.** Carter, onetime Sylvania vp, will continue active in SRI research activities, serve as senior management counselor & a dir. . . . **Nicholas Glyptis**, former Multi-Tron Lab pres., named Wen Products chief scientist.

Earl T. Holst elected NARDA pres.; **Mort Farr** elected legislative committee chmn., succeeded as Association chmn. by **C. D. McMullin.** Other elections: **Samuel M. Boyd**, exec. committee chmn.; **Upton Ziesler**, treas.; **Samuel Singer**, secy.; **Billy Yates, Dave Brinton & James Fulford**, vps.

John W. Craig named Westinghouse special accounts vp & gen. mgr., succeeded as Major Appliance Div. gen. mgr. by **Charles E. Erb.**

J. A. (Shine) Milling, Howard W. Sams' Sams Div. pres., appointed acting chmn., EIA Parts Div., pending election of replacement for **Allen K. Shenk**, recently-resigned Erie Resistor mktg. vp, who has joined Van Products, Erie, Pa., as mktg. mgr.

William C. Waggoner Jr., Warwick Mfg. vp & controller, elected a dir. . . . **Joseph A. Rider**, onetime RCA, elected vp & comptroller of ITT's subsidiary Royal Electric Corp.

Abe Schwartzman, former exec. administrator, Institute of High Fidelity Mfrs., named to new post of mgr., national accounts, Sony Corp. of America.

Dr. E. M. Baldwin, founder of Rheem Semiconductor Corp. & vp-gen. mgr. of operation since it became Raytheon's Mountain View (Cal.) facility, resigns; **Kenneth M. Lord**, recently appointed Raytheon Semiconductor Div. vp-gen. mgr., will also direct Mountain View operation & headquarter there.

John L. Porter Jr. elected exec. vp of TV Shares Management Corp.; Pres. **John Hawkinson** elected a dir.

Albert C. Gubitz named GE Receiving Tube Dept. ad & sales promotion mgr., succeeding **Richard D. Kennedy**, recently advanced to home convenience product sales mgr.

Mrs. F. Edward (Patty) Cavin named RCA Washington, D. C. public affairs mgr.

Dr. E. Eastwood promoted to Marconi Co. engineering & research dir. . . . **Richard J. Goldberg** named Technicolor Corp. research & development vp.

David E. Rubin appointed purchasing vp by Blonder-Tongue Labs . . . **Dr. Gordon K. Teal** named technical dir. of Texas Instruments' International Div.

Hugo Sundberg, recently succeeded as Oxford Electric Corp. pres. by Chmn. **Joseph D. Ceader** (Vol. 3:1 p9), named pres. of new Oxford Electric Co. sales subsidiary; **Sidney J. Unger** named vice chmn. of parent company & chmn. of newly formed management-executive directorate. **Robert I. Minsky**, a dir., Pres. Ceader, exec. vp **Leon Sadacca & A. M. Dresner**, a dir., also named to management-executive directorate.

Richard S. Leghorn, former Itek pres., named pres. & a dir. of Perini Electronic, San Mateo, Cal., succeeding **Mark R. Sullivan**, resigned.

Seymour Wald named United Scientific Labs chmn.-pres., succeeding his late father **David Wald** (Vol. 2:50 p15).

Don Cinalia appointed mgr. of Jerrold Electronics' Industrial Products Div.

Obituary

Edwin Steward Pridham, 81, inventor and co-founder with the late Richard O'Connor of Magnavox in 1911, died Jan. 12 at his Oakland, Cal. home. Pridham had been a Magnavox vp, continued to serve company as an advisor until his retirement 2 years ago.

Mrs. Clarissa H. Thomson, 87, the widow of GE founder Elihu Thompson, died Jan. 14 in Beverly, Mass.

Nov. factory sales of TV picture & receiving tubes declined sharply in both units & dollars from Nov. 1961, EIA reported. Unit sales of TV picture tubes sloughed off to 742,162 from Nov.-1961's 835,929. Dollar volume dropped to $14,265,231 from $16,896,809. For year to date, sales fell nearly 200,000 units & more than $10.5 million from Jan.-Nov. 1961. Receiving tube unit sales dropped in Nov. to 28,842,000 from 32,636,000 a year earlier. Dollar value slipped to $24,085,000 from $26,561,000. For 1962's Jan.-Nov. period, sales trailed 1961's first 11 months by nearly 11 million units & $7 million. Here are EIA's figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	802,061	15,625,304	29,592,000	24,789,000
February	733,670	13,944,313	27,977,000	23,841,000
March	817,830	15,580,149	34,884,000	29,748,000
April	758,539	14,253,425	31,016,000	25,838,000
May	703,255	13,676,659	30,341,000	25,802,000
June	740,788	14,252,844	29,649,000	24,587,000
July	565,022	11,064,357	24,122,000	19,612,000
August	795,121	15,035,830	34,646,000	29,222,000
September	866,512	16,537,417	31,640,000	25,327,000
October	879,588	16,678,099	32,257,000	26,440,000
November	742,162	14,265,231	28,842,000	24,085,000
Jan.-Nov. 1962	8,404,548	$160,913,628	335,010,000	$279,026,000
Jan.-Nov. 1961	8,597,571	171,454,087	345,954,000	286,014,000

Westinghouse denied FTC charges that its rebuilt TV picture tubes are falsely advertised as new (Vol. 2:50 p15). Company said that although some of its replacement tubes are made with used glass envelopes, all parts are new, thus are not rebuilt tubes as term is commonly defined or understood by public, trade or FTC.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Electro-Voice	1962—9 mo. to Nov. 30	$ 8,402,233	——	$ 114,127	$0.23	497,332
	1961—9 mo. to Nov. 30	8,903,699	——	270,660	.54	497,332
MGM	1962—12 wks. to Nov. 22	——	——	(2,366,000)	—	2,569,229
	1961—12 wks. to Nov. 22	——	——	2,173,000	.85	2,545,229
Pacific Industries	1962—qtr. to Nov. 30	7,468,085	——	123,148	.07	1,887,239
	1961—qtr. to Nov. 30	5,476,031	——	229,887	.12	1,887,239
Republic Corp.	1962—year to Oct. 27	43,285,706	——	1,764,314	.56[1]	2,443,448
Story below	1961—year to Oct. 27	31,729,670	——	1,977,629	.74[1]	2,443,448
Stanley Warner	1962—13 wks. to Nov. 24	34,208,890	——	629,779	.31	2,033,924
	1961—13 wks. to Nov. 24	35,283,450	——	1,312,720	.65	2,027,724

Notes: [1] After preferred dividends.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Allied Radio	Q	$0.08	Feb. 26	Feb. 11
Avnet Electronics	Q	.10	Feb. 18	Jan. 28
Gross Telecstg.	Q	.40	Feb. 12	Jan. 25
Gross Telecstg.—"B"	Q	.07½	Feb. 12	Jan. 25
Hazeltine	Q	.20	Mar. 15	Mar. 1
Paramount Pictures	Q	.50	Mar. 11	Feb. 25
Republic Corp.	Q	.15	Feb. 15	Feb. 1
Stanley Warner	Q	.30	Feb. 25	Feb. 8
Wometco Enterpr.—"A"	Q	.15	Mar. 15	Mar. 1
Wometco Enterpr.—"B"	Q	.05½	Mar. 15	Mar. 1

Republic Corp. earnings in year to Oct. 28 dropped to 55¢ a share from 74¢ in fiscal 1961 despite sharp sales rise to about $43 million from $31.7 million. Fiscal-1962 earnings were estimated at about $1.7 million—down from $2 million a year earlier. Chmn. Victor M. Carter said 1963 earnings would climb "conservatively" to 80-85¢ a share on sales rise to $46-47 million. Republic scored sharp profit gains in 4th quarter (to $615,264 from $411,651) and Carter attributed improvement mainly to pickup of shipments by its Utility Appliance Corp. after widespread construction strikes in California last summer. Contributing to fiscal-1963's favorable outlook, Carter said, is fact that contracts for release of library of 850 films through Republic's Hollywood TV Service Div. "are running well ahead of schedule."

Zenith details its "all-time high record-breaking sales" in 3-page trade press ads: "Again Zenith is first in TV sales (share of industry first again by a wide margin)! For the 4th straight year and still growing . . . over a million Zenith b&w TV sales! . . . New all-time high Zenith stereo sales . . . stereo consoles up 47% . . . New all-time high in Zenith radio sales . . . 1962 color TV sales placed Zenith in a leading industry position . . . Zenith [color] production plans doubled for 1963!"

Indiana General posted record 1962 sales & earnings, Pres. Robert F. Smith said. Figures weren't released but 9-month sales (Vol. 2:45 p12) were 26% ahead, earnings 43%. Indiana General in 1961 earned $1.8 million on $22 million sales.

Reports & Comments: AT&T, review, Oppenheimer, Neu & Co., 120 Broadway, N.Y. 5 • **Hallicrafters,** prospectus, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4 • **GE & RCA,** analyses, Eastman Dillon, Union Securities & Co., 15 Broad St., N.Y. 5 • **"Visual Communications, A Growth Industry,"** discussion, Irving Weis & Co., 40 Exchange Place, N.Y. 5 • **AT&T,** comment, Spingarn, Heine & Co., 37 Wall St., N.Y. 5 • **RCA,** analysis, Walston & Co., 120 Broadway, N.Y. 5 • **Westinghouse,** discussion, Amott, Baker & Co., 150 Broadway, N.Y. 5 • **Sprague Electric,** analysis, Evans & Co., 300 Park Ave., N.Y. 22 • **Collins Radio,** prospectus, Kidder, Peabody & Co., 17 Wall St., N.Y. 5 • **Litton Industries,** prospectus, Lehman Brothers, One William St., N.Y. 4 • **Magnavox,** analysis, L. F. Rothschild & Co., 120 Broadway, N.Y. 5 • **ITT,** review, J. Barth & Co., 111 Broadway, N.Y. 6 • **CBS,** review, Coggeshall & Hicks, 111 Broadway, N.Y. 6 • **Schlumberger** (Daystrom), review, Reynolds & Co., 120 Broadway, N.Y. 5.

A. C. Nielsen expects profits & revenues in fiscal-1963's first half, ending Feb. 28, to "continue the improvement trend" noted in first fiscal quarter (Vol. 3:2 p12) when earnings gained to $675,329 from $657,830 on 12% sales rise to $10.7 million from $9.5 million in Sept.-Nov. 1961. Pres. A. C. Nielsen Jr. said "we expect earnings for the 6 months to be greater than the like 1962 period" when profits totaled $1.4 on $19.4 million revenues. Company now has offices in 15 foreign countries which chip in some 25% of total revenues.

Kennedy Administration anticipates 12% increase in sales of home entertainment & musical equipment in fiscal year beginning next July 1, it was indicated in budget estimates submitted to Congress last week. President's budget stated that $215 million was collected in fiscal 1962 excise taxes on TVs, radios, phonos, records & musical instruments. Estimated fiscal 1963 revenue was $237 million, rising to $265 million in fiscal '64.

Cavalier Radio & Electronics, Rego Park, N.Y. maker of radios & related products, has filed Chapter 11 petition in Federal Court, Brooklyn. Attached statement listed liabilities (as of Oct. 31, 1962) of $484,208 & assets of $492,855. Current assets totaled $356,333.

WEEKLY

Television Digest

JANUARY 28, 1963 NEW SERIES VOL. 3, No. 4

NAB LIBRARY JAN 28 1963

Albert Warren, Editor & Publisher, 911 - 13th St., N.W., Washington 5, D.C., Sterling 3-1755
David Lachenbruch, Managing Editor, 580 Fifth Ave., New York 36, N.Y., Circle 6-2215
Harold Rusten, Associate Editor, 111 Beverly Rd., Overbrook Hills, Philadelphia 51, Pa., Midway 2-6411
Michael H. Blake Jr., Assistant Editor, Washington. **Charles Sinclair, Contributing Editor,** New York

Arnold Alpert, General Manager, Washington

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

COLLINS FLAYS FCC FOR OMAHA HEARING, bringing joy to broadcasters who hope for change in his attitude toward govt. (p. 1).

TV OUTSHINES PRINT MEDIA in new study of effectiveness of TV vs. magazines prepared for CBS. Two major audience research firms are also in field of inter-media studies, and trend in research is in this direction (p. 2).

CATV vs. UHF POTENTIAL IN TIFTON, GA. leaves city commission unable to vote franchise application up or down (p. 3).

FORD DOUBTS 'OVERPOPULATION,' tells National Religious Bcstrs. losing stations only about 5% of total (p. 3).

MINOW'S FAITH IN UHF—for more networks, more ETV, nationwide pay-TV, local expression (p. 4).

LEE & MST, UHF & VHF—continued varying interpretation of FCC's N.Y. reception analysis. MST repeats view uhf can give "substantial" service but isn't substitute for vhf (p. 5).

MEDICAL TV GROWTH—40 of nation's 87 medical schools equipped, up from 26 in 2 years. Installations in dental schools reach 27. "Many" hospitals employ systems (p. 7).

Consumer Electronics

TINYVISION SPECULATION occupies industry; GE & Admiral seen as likely contenders for first wee TV. Transistorized sets improbable (p. 8).

PRIVATE-LABEL TV BUSINESS BOOMING: manufacturers report upsurge of interest in house brands; Wells-Gardner, TraVler & Muntz TV ready color sets for private-label market (p. 8).

INDOOR FM ANTENNA system, going into national distribution, sparks wide interest as possible answer to FM stereo's biggest problem (p. 9).

TV DISTRIBUTOR SALES climbed 9% in 1962 to 6,286,000 b&w sets; radio sales rose 5% to 11,760,000; inventories in good shape (p. 10).

1962 TV IMPORTS equaled 2% of U.S. b&w market, or more than 130,000 sets; far higher total expected this year (p. 10).

COLOR BANDWAGON rolls faster and more set makers climb aboard. Canadian manufacturers urge color start; Philco, Magnavox, importers make plans (p. 12).

COLLINS FLAYS FCC FOR OMAHA HEARING: "Government by roulette." That's what NAB Pres. LeRoy Collins termed FCC's local-live hearing, starting today in Omaha. In Lincoln, Neb. speech last week, Collins brought joy to telecasters who believe he's been too complaisant about FCC's stepped-up regulation of industry.

Collins said FCC had "no special reason" for picking on Omaha—it just happened to be right size and have right number of stations, in Commission's opinion. Noting that Omaha licenses had been renewed mere 6 months ago, and that no one had complained about their programming, he asserted:

"The fact is that these stations do not require a govt. sponsored hearing to tell them what the people of Omaha want or need. As all responsible broadcasters, they are constantly reviewing & seeking to improve their programming. . . . Notwithstanding these circumstances, and with no importuning from any known source in Omaha, the FCC decided to put these stations on the mat by holding this hearing to which any one with a grievance was urged to come and publicly air it.

"The effect, of course, has been to suggest failure where there has been success, to impugn the motive & efficiency of the management of these stations where there has been full confidence, to create doubt

where there has been faith, to divert the personnel & resources of these stations from their broadcast duties to the development of defenses against unknown charges & implied wrongs."

"We demand," Collins concluded, "that the FCC, if it has just cause to question the capability of any broadcaster, or his good faith in serving the public interest, place that license squarely on the line in a proper renewal or revocation hearing, and to stop impugning & embarrassing & handicapping the mass of good broadcasters for what may be the sins of a very few."

A study of the list of more than 125 witnesses reveals that stations will get vastly more kudos than knocks, possibly damping FCC's enthusiasm for more such sessions elsewhere. Neb. legislature also jumped into attack on FCC, voting 38-0 for resolution denouncing the hearing.

Strong words similar to Collin's were offered at end of NAB's board meeting in Phoenix by NAB Govt. Affairs vp Paul Comstock who asserted: "The growing pressure the govt. is exerting against programming is the one issue that transcends all else. [FCC] is pursuing a dangerous & unwarranted course when it seeks to manipulate & exploit expressions (from the public) that are not spontaneous. Govt. inspired letter-writing campaigns, public hearings unconnected with license considerations, and other efforts of the Commission to enlist segments of the public are beyond the scope of its responsibility."

Such statements by Collins and his aides may mark a cooling-off turning-point in Collin's relations with FCC & govt. generally. It may also gain him greater broadcaster support for his less-popular needling of industry with demands for greater "self discipline" & "responsibility" and reduce from anger to irritation the industry reaction to such things as his attacks on cigaret commercials appealing to youth.

FCC Comr. Ford last week added his objections to Omaha-type hearings. In speech before National Religious Bcstrs. convention in Washington, he stated that FCC's job is to make sure station determines its obligations to a community and then lives up to them. However, he said, when FCC holds hearing in a community it is, in effect, conducting its own survey of area's needs & evaluating them for stations—thus overstepping bounds. He voted for Chicago hearing, against Omaha.

TV OUTSHINES PRINT MEDIA: New stress is being placed this season on effectiveness of TV as ad medium in comparison to printed media, notably mass-market general magazines. By all indications, TV has powerful story to tell.

Trend marks "research maturity" of TV medium. In earliest competitive days, TV adherents stressed sheer home circulation of TV. Then came era of push on program ratings and average-audience figures, and related cost-per-thousand data, mainly to toss around big numbers. Magazines, meanwhile, emphasized circulation & total ad exposure. Now, TV is reaching bedrock of direct inter-media comparison.

Major new study from CBS-TV was unveiled late last week in N.Y. Showcased in 14-min. animated color film, study was developed by network's TV research department under direction of Jay Eliasberg, with field work conducted by Audits & Surveys Co.

Objective of CBS study was to compare advertising impact of TV & magazines by measuring audience response "under normal conditions of exposure" to closely-paralleled print ads & TV commercials for 13 nationally distributed products.

Study was not confined to CBS in choice of TV programs which were showcases for commercials. Product list included Bayer Aspirin, Campbell's Soups, Dial Soap, Ford, GE, Goodyear, Kellogg's Corn Flakes, Marlboro, Sunbeam Shavers, among others. Commercials were seen in 15 CBS shows, plus 10 on ABC and 5 on NBC. Magazines in which ads appeared were *Life, Look, Reader's Digest, SatEvePost.* Key results of probe, conducted by some 6,000 interviewers:

• Awareness of brand increased 25% more through TV commercials than through magazine ads (TV: 122 people per dollar vs. magazines 97.9 people per dollar).

• Belief in advertised values of brand was 42% higher in TV than magazines per ad dollar spent.

• Margin of 102% in number of people who increased evaluation of brand was scored by TV vs. magazines per ad dollar.

• Twice as many people indicated they were eager to buy TV-sold brands as compared with people reached by magazine ads.

• TV was twice as efficient as magazines in carrying out 2 key advertising objectives—improving public evaluation of brands and making consumers more eager to buy.

These are merely highlights of exhaustive inter-media study of relative effectiveness which CBS plans to show advertisers & agencies in nationwide series of special screenings. Full details of study are in 48-page CBS book which contains enough equations & study details to keep slide-rule teams busy for weeks.

CBS is not alone by any means in probing TV-vs.-print question. American Research Bureau is currently field-testing new "MediaLog" research diary in 5 cities, and hopes to have inter-media measurement service before year's end. ARB plans to provide (1) estimates of length of time of exposure, (2) number of minutes exposed and (3) frequency of exposure for consumer magazines, newspapers & supplements, as compared with TV-viewing data. Duplication, accumulation of audiences between & within media, will be covered.

Pioneer in field is Nielsen, which has been measuring exposure opportunities provided by TV, major consumers magazines & newspapers since 1960 through Nielsen Media Service. Currently, NMS has over 30 clients—major advertisers, agencies & publishers. Nielsen, which draws study data from national cross section samples, reports on audience duplications of print media & TV (among other inter-media items), is thinking of expanding service to Canada & United Kingdom.

Outlook for future is for more TV studies in inter-media vein. Comparisons of cost-per-thousand in media by broadcasters & admen are handy—but lack accuracy since they are comparisons of research apples & oranges. TV is apparently outgrowing bumptious period of shouting about mere audience size, is trying to tell its story in terms of measured effectiveness vs. its competitors.

CATV vs. UHF POTENTIAL IN TIFTON, GA.: Unusual broadcaster-CATV conflict has developed in Tifton, Ga. It's the first, to our knowledge, where dispute has arisen in area with neither TV station nor CATV.

Seeking CATV franchise, Ga. Cable TV Co., Fitzgerald, Ga. (headed by Allen McDonald), made application to city commission. Ralph Edwards, head of radio WWGS Tifton, fought proposal on grounds that uhf Ch. 14 will eventually be authorized there if CATV doesn't take away its economic potential. City commission met on subject Jan. 18, couldn't decide what to do, left situation dangling. This, despite fact Edwards submitted strong anti-CATV letter from FCC Chmn. Minow, who said CATV could have "serious, if not fatal, effect" on existing or potential TV stations. Though choice of signals is desirable, Minow wrote, many people can't afford CATV and those beyond built-up areas would receive no local TV if station is foreclosed. In addition, he said, community would be deprived of treatment of local problems by local station.

CATV franchise-seeker proposes to offer 5 stations, plus one news channel, one weather, one background music—at $5.95 a month, with free installation. Edwards tells us CATV proposes to carry local advertising. He also says that system wouldn't offer Tifton much beyond what it gets now, that viewers can receive NBC, CBS & ETV from Albany, Thomasville & Waycross. If city commission insists on granting franchise, he concluded, CATV should be locally owned. City population is 10,000; market area has 99,000.

FORD DOUBTS 'OVERPOPULATION': Radio "overpopulation" is probably a myth, in opinion of FCC Comr. Ford. In speech before National Religious Bcstrs. in Washington last week, he noted that although more than 1/3 of AMs reported losses in recent years, new Commission financial forms probably will show losers amounting to about 5%. He said, however, that engineering standards need tightening.

Turning to industry commercial codes and proposals that they be adopted as official FCC rules, he said such moves would reduce incentive of industry to govern itself and would often penalize smaller stations which are unable to comply with codes for valid reasons.

Senate Commerce Committee Chmn. Magnuson (D-Wash.) informed group that a 1957 TV network practices study by his committee showed networks were doing better job on religious programming than critics indicated. However, he said, amount of time given to such programs didn't seem to "reflect adequately the importance of religion in American life."

Ratings evoked wrath of Dr. Peter Eldersveld, of Christian Reformed Church. He called them "golden calf" before which broadcasters worship, said ratings have caused dropout of good programs & talented performers.

A study by NRB showed that members spent $13,721,901 on TV & radio time in 1961. This included $1,880,163 for TV and $8,747,820 for radio in U.S., $3,093,916 for radio abroad.

MINOW'S FAITH IN UHF: FCC Chmn. Minow wrapped up most of his well-known objectives in speech Jan. 22 at Fund for the Republic's 10th anniversary convocation in N.Y. last week. Among them:

(1) More TV stations are answer to many problems—and uhf growth is answer to TV expansion. Uhf will produce nationwide ETV network, make possible nationwide pay-TV. "If pay-TV passes its tests," he said, "the logical place for it would be in the uhf channels." Uhf will make possible 4th commercial network, catering to minority audiences. And uhf will produce local outlets in more communities.

(2) ETV needs financial support and "private philanthropy has started to meet this need."

(3) Some free time should be made available to candidates because access to air "is in danger of being limited only to the wealthy candidates, or to the not-so-wealthy candidates who are willing to become dependent on special interests to finance their campaigns."

(4) More & better children's TV programs are emerging.

(5) Broadcasters should air more controversy, but "this doesn't mean tiptoeing with issues like greener grass, milk for children and canoe safety."

(6) A "Citizen's Advisory Board for Radio & TV" should be created to report annually to Congress, FCC, public.

Appearing on same panel, McCann-Erickson's Pat Weaver said job of communicators is to disseminate knowledge & achievements "to every man on earth at the push of a button and speed of light. . . . Let people see what they can have, and they will work for it."

While Minow found more TV stations a solution to many problems, panelist Barry Bingham, editor & publisher of *Louisville Courier-Journal & Times*, defended newspaper monopoly as "inevitable and here to stay" because of "law of economics." He said monopoly reduces pressures on papers by advertisers, and "monopoly is less a threat to press excellence than monotony."

———■———

Uhf CPs: Ch. 19, Huntsville, Ala., to North Alabama Bcstrs., initial decision becoming final. Ch. 24, Austin, Tex., proposed grant to Austin Bcstg. Co., issued by examiner following withdrawal of competitor Capitol Telecasting.

Fine of $2,000 was imposed on radio KISN Vancouver, Wash. by FCC which found station responsible for "willful & repeated" identification misleading public into believing station was licensed solely to Portland.

FCC Comr. Lee speaks Feb. 11 at Washington Ad Club luncheon honoring Richard Eaton, owner of upcoming all-Negro uhf WOOK-TV (Ch. 14) Washington.

Sale of WDBO-TV (Ch. 6), WDBO (5 kw, 580 kc) & WDBO-FM Orlando, Fla. to Outlet Co., owner of WJAR-TV & WJAR Providence, R.I., for approximately $6 million, was announced last week by Outlet Pres. Joseph S. (Dody) Sinclair and estate of late William S. Cherry Jr., principal owner of Orlando stations. Preliminary agreement provides sale of all stock of Cherry Bcstg. Co. and involves disposition of Cherry-Plaza Hotel (also owned by Cherry Bcstg.) before closing date. Sale price included "stations & certain other assets." Announcement stated that Arnold F. Schoen Jr., present WDBO-TV exec. vp-gen. mgr., would continue to manage Orlando station. Orlando TV & radio outlets are CBS affiliates; TV station began operation in 1954, was purchased by Cherry group in 1957.

FCC was reversed in Court of Appeals last week—which doesn't happen often. Commission had granted moves of WEAT-TV & WPTV W. Palm Beach to point 12 miles nearer Miami—over objections of WTVJ Miami and without a hearing. Judges Miller, Bastian & Wright ordered case back to FCC for evidentiary hearing, stating that issues presented by WTVJ "were so substantial that the Commission erred in disposing of them in a summary manner." WTVJ had argued points of coverage, program needs of area, equitable distribution of facilities.

Relic "of a dead age" is what CBS Inc. Pres. Dr. Frank Stanton termed American Bar Assn. Canon 35, during address Jan. 23 before N.D. legislature in Bismarck. Stanton also blasted another popular industry target, Sec. 315, which he said "needs to be thrown out" and whose "abortiveness is no longer in dispute." Stanton urged N.D. Gov. William L. Guy & legislature to set example for other state bodies & Congress by permitting TV-radio coverage of sessions & hearings.

Radio WYNR Chicago, one of McLendon group, was ordered by FCC to hearing in Chicago on grounds it misrepresented program plans when application to buy station (then WGES) was filed with Commission. FCC said that McLendon had claimed it would continue substantially same programming but dropped about 32 hours of weekly foreign-language fare some 20 days after taking over station Aug. 8, 1962. Commission said "a serious question is raised as to the licensee's candor."

Sales Approved: KOAT-TV (Ch. 7) Albuquerque & KVOA-TV (Ch. 4) Tucson, for $3,250,000, to Steinman stations (WGAL-TV Lancaster, Pa., etc.); KPIC-TV (Ch. 22) Los Angeles, for $180,000, to Central Bcstg. Corp. of Cal., principals of which hold interests in radio WENO Madison, Tenn., WGUS, North Augusta, S.C. & WYAM Bessemer, Ala.

Sale of KKTV (Ch. 11), KFMH(FM) Colorado Springs, and radio KGHF Pueblo, for $1 million to Tele-Broadcasters Inc., was announced by Blackburn & Co. Sellers were Mr. & Mrs. James D. Russell, Gifford Phillips, Robert Ellis. H. Scott Kilgore is Tele-Broadcasters pres.

LEE & MST, UHF & VHF: Evaluation of FCC's N.Y. uhf-reception results added a chapter last week when Maximum Service Telecasters criticized FCC Comr. Lee's criticism of MST's original criticism of FCC's original report (Vol. 2:47 p3, 2:48 p3, 3:1 p3).

To go back: FCC found uhf as good as vhf within 25 miles, with indoor antennas—except in 10% of locations. MST said figure should have been "50%," using picture evaluation by householders instead of by technicians. Lee came back with statement that technicians' judgments are more reliable.

Now—in letter to Lee last week—MST comes back, sticking to its reliance on householders, and claims: There are 13 million people within 25 miles of Empire State Bldg. transmitter. Of these, 9% couldn't get even a "passable" picture from uhf, while only 4.7% on Ch. 2 and 4.9% on Ch. 7 couldn't get "passable" quality. Thus, said MST, some 530,000-560,000 people in area couldn't get passable picture from uhf but could from vhf. In addition, MST stated, some 1,675,000 people in area couldn't get a "fine" picture from uhf but could from vhf.

Lee had chided MST for raising questions about test procedures after report was published. But, said MST last week, it had raised the questions earlier—e.g., had told Commission engineers that receiver locations were too concentrated within 10 miles of transmitter.

MST concluded with its long-held premise—that uhf can provide "substantial" service, even in N.Y., but is inferior to vhf and isn't substitute for vhf, and that uhf & vhf should therefore exist "side-by-side."

———■———

House Commerce Committee changes: New Democrats —Hull (Mo.), Long (La.), Van Deerlin (Cal.). They replace Kilgore (Tex.), who moved to Armed Services Committee, Mack, (Ill.), defeated in election, and Moulder (Mo.), retired. Republicans appointed, Brotzman (Colo.), Broyhill (N.C.), and Cunningham (Neb.), replacing Dominick (Colo.), elected to Senate, Collier (Ill.), to Ways & Means, Thompson (Wis.), to Foreign Affairs. Van Deerlin formerly was news dir. with KOGO-TV-AM-FM San Diego & XETV Tijuana. Subcommittee assignments haven't been completed.

Clarification of Clyde, Kan. vhf translator situation (Vol. 3:1 p4) is offered by WIBW-TV Topeka Gen. Mgr. Thad M. Sandstrom. FCC had turned down translator's request for waiver to permit contribution from WIBW-TV. Sandstrom notes that station had offered $500 to translator group before FCC changed rules to prohibit such support. After rules change, he suggested that Clyde group seek waiver, which FCC finally refused.

Ban on TV-radio cigarette advertising before 8 p.m. has been proposed by Rep. Udall (D-Ariz.) in questionnaire to some 9,000 constituents. He said he has received complaints about tobacco commercials broadcast when children are watching, asked voters if they would approve introduction of bill prohibiting practice.

Agencies could charge fees to finance operations under bill (HR-834) submitted by Rep. Younger (R-Cal.). FCC would charge licensees for initial grants & renewals. Younger told us he believes it unfair for taxpayers to foot bill for work involved in granting profit-making franchise to private businessman.

New Hollywood-TV Marriage: A movie news conference on closed-circuit TV facilities of NBC Telesales fed to 9 major cities—at a cost of $15,000 "not including sandwiches for newsmen"—was the latest instance of the marriage of Hollywood & TV. The conference was staged recently by Universal, which is financing & distributing "40 Pounds of Trouble," a comedy starring (and produced by) Tony Curtis.

Conference, piped from Burbank origination to N.Y., Boston, Chicago, Pittsburgh, Dallas, etc., went off fairly smoothly, with plenty of plugs for picture (which has strong resemblance to Shirley Temple oldie "Little Miss Marker" circulating on TV). Curtis stated pointedly during question period (queries were piped to Burbank via phone lines from various cities in turn) that he had no intention of doing TV series, felt medium demanded quick production & too much strain.

One of best bits in conference was use of "out-takes" (i.e., reject footage & fluffs) from picture. In one such scene, Phil Silvers, as big-time gambler, is asked if he has suggestion about who should take care of 6-year-old girl with which gambling group is stuck. Obviously forgetting his line, Silvers ad-libbed: "How about Beverly Aadland's mother?"

———■———

"Blanket license" ASCAP system, under which TV stations presently hold what amounts to run-of-schedule music licenses and which costs industry some $19 million annually, provides "very little incentive" to producers of movies & film shows seen on TV to negotiate for music performance rights. So stated Hamilton Shea, committee chmn. & pres. of WSVA-TV Harrisonburg, Va., to us last week as he clarified position of All-Industry TV Station Music License Committee in running duel with ASCAP on which Supreme Court rejected appeal (Vol. 3:3 p3). What broadcasting group is really seeking, explained Shea, is limited form of music license "which would required producers of any filmed or taped program to negotiate the TV music performing rights directly with a composer or publisher at the time production is being started." This won't mean that stations will have to clear music in movies or syndicated or network shows, but they would seek a form of blanket license to cover music used in purely local programming. Shea's group hopes to pursue matter further before summer in 2nd Circuit Court of Appeals.

Pitch to local businessmen was launched by TvB in Washington last week with showing of "Jericho . . . the Wall Between Us." Some 250 industry, govt. & trade assn. representatives attended 40-min. color presentation, available without charge to TV stations. Film is aimed at small businessmen at local level, according to TvB vp & gen. mgr. George Huntington. Theme: TV increases sales & profits, keeps firm's image before public.

National Audience Board will be reactivated under new name by Peter Goelet, who recently discontinued organization because, he said, costs were too great. Group's publication, *The Viewer*, will be resumed. Organization's purpose is to raise quality of TV programming. Address: 152 East End Ave., N.Y.

New **TIO newsletter**, *informaTIOn*, is being distributed to sponsor stations & industry leaders. Letter is designed to inform stations of data available for use in professional & community relations activities.

Personals

Lyndon O. Brown, Dancer-Fitzgerald-Sample senior vp, elected Advertising Research Foundation chmn., succeeding **Frank W. Mansfield,** Sylvania marketing research dir.; **Richard J. Babcock,** *Farm Journal* publisher, named vice-chmn.; **Arthur C. Bryan,** Union Carbide Consumer Products Co., elected treas.; **Vernon C. Myers,** *Look* publisher & **Ray Weber,** Swift & Co. advertising dir., elected dirs.

Paul Miller, Gannett newspapers & bcstg. pres., elected AP pres., succeeding *Washington Star* editor **Benjamin M. McKelway.**

George Patrick promoted to ABC-TV program & commercial production mgr. . . . **Lester Dinoff,** ex-WABC-TV N.Y. publicity & exploitation dir., appointed asst. to publicity-PR dir., Freedomland Inc., Bronx, N.Y.

Michael Peacock named head of 2nd BBC-TV channel due to start April, 1964, will be succeeded as BBC-TV news editor by deputy news editor **Waldo Maguire.**

John Sias, ex-Westinghouse Bcstg. national TV sales mgr., appointed vp & dir., Metromedia's Metro Broadcast TV Sales div. . . . **William B. Hull** promoted to WJW-TV Cleveland special services mgr., a new post . . . **Sydney A. Abrams,** *Mercer Island (Wash.) Reporter* publisher, also named KIRO-TV & KIRO Seattle merchandising dir.

William R. McAndrew, NBC News exec. vp., invested by Francis Cardinal Spellman as a Knight of Malta, one of highest honors given Roman Catholic laymen.

T. Mayer promoted to Marconi Bcstg. Div. mgr., succeeding **D. G. Smee,** recently promoted; **F. J. Sidebotham** moves up to sales mgr., **A. A. McKerrell** to asst. sales mgr.; **D. Law** named product planning chief, a new post.

Manny Reiner, ex-UA TV international operations vp, appointed Four Star TV foreign operations vp, a new post . . . **Marshall Davidson** promoted to CBS News film production mgr.

Henry V. (Hank) Greene Jr., ex-KDKA-TV Pittsburgh, appointed national TV sales mgr., Westinghouse Bcstg. Co.

Martin Codel, former *Television Digest* publisher, now consultant, leaves Feb. 7 with Mrs. Codel for 10-week survey trip to Australia, New Zealand, Philippines, Japan & other Far Eastern countries. In last 3 years, he has surveyed nearly 50 countries for TV-radio-telecommunications potentials.

Lamont L. Thompson, ex-TvAR Chicago mgr., appointed KPIX San Francisco sales mgr., succeeding **Bill Hunefeld,** resigned . . . **Patricia Peterson** promoted to administrative asst. to Metromedia Chmn. & Pres. **John W. Kluge.**

Richard Sinclair resigns as KHJ-TV Los Angeles advertising & promotion mgr. . . . **Don Mills,** ex-*TV Radio Mirror* assoc. editor, appointed educational KQED San Francisco PR dir., succeeding **Marianne Goldman,** resigned.

William Condon promoted to TvAR midwest sales mgr., succeeding **Lamont L. Thompson,** recently named KPIX San Francisco sales mgr. . . . **David Tasker** promoted to Canadian Bcstg. Corp. employe & talent services dir., a new post.

Joseph A. Staton, deputy chief of National Institutes of Health clinical & professional education branch, named interim secretary of Council on Medical TV, succeeding Exec. Secy. **John K. Mackenzie,** who joins American Assn. for Advancement of Science as producer of its *Science and Engineering TV Journal* on educational WNDT N.Y.

Phil D'Antoni, MBS vp & gen. sales mgr., and news & public affairs dir. **Norman Baer,** resign from network to form own TV production & talent rep firm, TV Productions of America, Inc., N.Y.

Douglas W. Hartman, former Senate Commerce Committee minority counsel, joins Washington law firm of Roberts & McInnis . . . **David Green** promoted to KMBC-TV Kansas City advertising & promotion dir.

Arthur O'Connor promoted to Avery-Knodel Detroit dir., succeeding **Stuart I. Mackie** . . . **Martin Ludington,** ex-Gardner Advertising, St. Louis, named mgr. of new Venard, Torbet & McConnell office at 915 Olive St. there.

Don Shepherd, ex-WLOS-TV Asheville, N.C. promotion dir., named to similar post with KFRE-TV & AM, KFRM(FM) Fresno. . . . **George Finkel,** ex-WTVO Rockford, named WFIE-TV Evansville production mgr.

Obituary

Dr. Walter M. W. Splawn, 79, one of drafters of Communications Act of 1934, died in Washington Jan. 17. As aide to Sam Rayburn, when latter was chmn. of House Commerce Committee, he had hand in legislation forming many regulatory agencies. He was later appointed chmn. of Interstate Commerce Committee, served agency 19 years. Widow & 2 daughters survive. FCC adopted resolution of respect & regret, forwarded it to his widow.

FCC staff appointments we reported (Vol. 3:3 p2) were announced officially: James Barr to chief, Safety & Special Bureau; Robert Rawson to chief, renewals & transfers div.; Sylvia Kessler to chief, offices of opinions & review. Appointment of James Sheridan as chief of Broadcast Bureau presumably won't be announced until predecessor Kenneth Cox is confirmed as a commissioner.

New officers of Federal Communications Bar Assn. elected Jan. 25: Donald Beelar, pres.; Thomas Wilson, first vp; Maurice Jansky, 2nd vp; Philip Bergson, secy.; Herbert Schulkind, asst. secy.; Ernest Jennes, treas.; Warren Baker & Marcus Cohn, 3-year term on exec. committee; W. Theodore Pierson, 2-year term on exec. committee.

NAB Public Service Institute Feb. 7-8 at American U., Washington, will include 56 representatives from 51 nonprofit organizations & govt. agencies. Institute is set up to acquaint delegates with problems & techniques involved in making public service time available to them. Delegates included representatives from military, many cabinet-level departments, non-profit associations.

Advertising Federation of America & Advertising Assn. of the West will hold annual mid-winter conference in Washington Feb. 6. Major speakers: HEW Undersecretary Ivan Nestingen, FCC Chmn. Minow, FTC Chmn. Dixon.

Establishment of NAFMB N.Y. office and hiring of exec. dir. were approved by board at recent meeting. Pres. T. Mitchell Hastings said negotiations for office space are underway and committee is screening applicants who may submit resumes to him at WNCN, 11 E. 47th St., N.Y.

FCC personnel changes: Richard F. Solan, to Budget Officer; Pauline M. Foster to asst. chief, manpower utilization & survey div.—both in Office of Executive Director.

MEDICAL TV GROWTH: Steady, solid development characterizes use of TV in medical & dental schools, hospitals, other health facilities.

Council on Medical TV, which coordinates & promotes use of TV, reports 40 of nation's 87 medical schools now employ TV, compared with 26 two years ago; dental schools with installations have risen from 18 to 27 in same period. No figures are available on number of hospitals using TV, but Council officials tell us there are many, some with more than 20 cameras.

Membership of 4-year-old Council has about doubled in past 2 years to 179, plus 18 sustaining contributors. Membership categories include medical & dental schools and professional organizations, broadcasting & electronics firms, advertising & pharmaceutical companies, govt., military, educational, philanthropic & research groups. Its annual budget of about $20,000 comes mostly from contributions.

Council's biggest project to date is comprehensive study of effectiveness of TV in medical & dental schools. Project was financed by grant under Title 7 of National Defense Education Act, with findings to be issued at annual meeting & workshop May 6-7 at National Institutes of Health, Bethesda, Md.

———■———

Tele-Beam TV projector, low-cost & portable, made its N.Y. debut at special showing at Summit Hotel by distributor Tele-Measurements Inc. (72 N. Mitchell Ave., Livingston, N.J.) Manufactured by Waltham Precision Instruments, successor to Waltham Watch Co., Tele-Beam models are priced at $2,630-$2,880. Uniquely designed projector consists of 2 units, projector head weighing 42 lb., and control unit at 68 lb. including tuner. Measured brightness using 9x12-ft. screen is 5 foot-lamberts. Tele-Measurements, headed by J. R. (Jack) Poppele, also demonstrated GE closed-circuit TV system, Du Mont electronic microscope, new Bogner "End Fire" uhf receiving antenna, Century Lighting equipment and Tele-Pat measurement & calibration device for TV stations. Interesting sidelight of show was 1926 "Jenkins Radiovisor" TV set, which provided 2-sq. in. picture using revolving drum, from Poppele's personal collection.

TV for Greece & Uganda is being planned by govts. of both countries. Uganda has invited U.S. & foreign firms to submit proposals to construct 9 stations, including financing, staffing & training of Ugandan personnel. System would be govt.-controlled, carry advertising. Proposals are being accepted by A. A. Nekyon, Information Minister, Broadcasting & Tourism, Kampala, Uganda. U.S. Embassy in Geneva reports Greek govt. again is actively considering establishment of TV system, may call for bids this year.

Expanded Cyprus TV operation is due by late 1963, *International Commerce* reports. Govt.-owned Cyprus Bcstg. Corp. reportedly has signed $400,000 contract with Pye Electric of England to install two 40-kw transmitters to cover entire Levant.

NBC International had record overseas sales in 1962, up 61% over 1961. Sales of news & public affairs programs to foreign stations rose 52%. NBCI distributes programs to more than 100 stations in 60 countries, serving estimated 300 million viewers.

Georgia Potpourri: FM allocations table, similar to TV, was urged by FCC Comr. Henry in address to Ga. Radio & TV Institute last week. He contended this could help remedy some of problems FCC is encountering in development of FM, such as concentration in large communities & rapid growth of time-consuming hearings. Although complete substitution of FM for AM may come about in distant future, he said, larger communities probably will continue to have both, providing wider range of programming.

Stephen Labunski, radio WMCA, N.Y., added voice to criticisms of FCC's Omaha-type hearings, stating that Commission is relying on "vigilante committee of unrepresentative witnesses."

RAB Pres. Edmund Bunker came up with well-received proposal that his organization act as employment bureau for journalism students seeking to break into radio.

Washington TV-radio attorney Leonard Marks spoke on "responsibility" of industry and FCC. He said that stations should present community issues, offer forum for controversies, live up to program promises, etc. But FCC, he said, isn't carrying out its responsibilities, is making "keeping of records the principal effort of stations—making a nation of bookkeepers." He believes that Communications Act should be amended to: (1) Provide an "Administrator" to process FCC applications. (2) Put all hearing cases into an "Administrative Court." (3) Leave an FCC (reduced from 7 to 5 members) free to concentrate on policy planning—uhf, space, stereo, CATV, etc. On Jan. 25, in Washington, he reported details of recommendations to meeting of FCBA; he's chmn. of committee examining Communications Act. He suggest FCBA meet within 60 days to discuss proposals.

———■———

Denver pay-TV tests "definitely" will be in operation next May, Pres. Gerald A. Bartell of Macfadden-Bartell Corp. and Macfadden Teleglobe Denver Corp. announced last week at technical symposium on pay TV in Denver. Denver's KTVR (Ch. 2) will use Teleglobe system.

"Loud commercials" are being studied by FCC engineers using VU meter, modulation monitor, and instrument used by audio engineers to measure sound levels in factories, streets, etc. FCC reports no conclusions so far.

New West German TV network, due to start April 1, has bought first U.S. series from NBC International. *Dr. Kildare* will start about end of April, *Dick Powell Show* sometime before summer.

N.J. ETV legislation was signed into law Jan. 17, by Gov. Hughes, permitting local boards of education to contribute up to $2 per pupil yearly for construction, operation & maintenance of ETV facilities.

Confirmation hearing on appointment of Kenneth Cox to FCC is set by Senate Commerce Committee for Jan. 31, 10 a.m., Room 5110, New Senate Office Bldg.

Full 1,504-ft. height has been reached by new tower of KTVH Wichita, which aims to start using new structure by Feb. 15.

Washington report by WTIC-TV & WTIC Hartford will begin Feb. 2, with 5-min. reports on Congressional activities by Conn.'s 2 Senators & 6 Representatives.

WFTV is new call of WLOF-TV Orlando, effective Feb. 3.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

U.S. TINYVISION—BY ADMIRAL & GE? Trade is buzzing about tiny TVs. Most U.S. manufacturers have tentatively rejected the concept—as they did the 16-in. last year—but will be ready to enter field if pioneers make a go of it.

We reported last week that 2 set makers have firmed up plans for sets smaller than 16-in. (Vol. 3:3 p8). GE has made no secret of fact that it's interested in tinyvision market. In all probability, the other manufacturer is Admiral—although company officials say no such introduction is planned at spring showings or earlier, and won't concede they will have such a set at all.

Despite some conjecture that GE will soon introduce 10-in. transistorized battery-operated portable, best guess is that company's first entry into wee TV will be regular 110-volt line cord model, with new 11-in. square corner tube reported here last month (Vol. 2:52 p7). Set may be priced competitively with small-screen Japanese imports; i.e., less than $100.

Those manufacturers considering tiny-screen sets are doing so in expectation of accelerated trend to personal viewing and fragmentation of TV audience. These new small sets could be forerunners of whole new tinyvision lines, with step-ups and special-purpose sets, eventually including transistorized battery models at top of line.

Industry is sharply divided about merits of tinyvision. RCA group exec. vp W. Walter Watts was asked whether RCA planned "Sony-type compact set" last week at meeting of N.Y. Society of Security Analysts (see p. 12). "We brought out one several years ago and could find no market for it," he replied. "Originally we priced it at $139.95, then dropped it to $100 and finally liquidated it at $60. The Sony set at $229 isn't selling in any volume. We are going to make very sure there is a market for it before we do it again."

PRIVATE-LABEL TV BUSINESS BOOMING: Mushrooming demand for private-label TVs has business booming in the "you-name-it" set industry. Private brands accounted for some 10-12% of total 1962 TV sales, according to best estimates, and will be even more important factor in 1963. This is a sure bet in view of (1) private-labelers' plans to get into color TV in big way and (2) mounting interest in private brands among new categories of customers.

"We are being deluged with inquiries from large and small companies," we were told by Wells-Gardner Pres. Grant Gardner. "We can't afford to take on all the business that's being offered us." Wells-Gardner, 100% private label, had record 1962, he told us, and "certainly expects to do as well or better in 1963. We know there's plenty of business around."

What has triggered upsurge in private-brand demand? Gardner gives credit to discounters. "They've cut the price and profits of national TV brands to the point where conventional retailers find it difficult to compete. They're turning to private brands because it's a way to control price and profit."

Muntz TV, which private-labels 10% of its TV output, also notes rise of interest in house brands but credits different reason. "It's the general profit squeeze in national brands that's generating this renewed interest in private labels," we were told by vp Jack Simberg. He also told us "requests to bid are coming in from areas not heretofore in private label." Among them: "Trade association groups with good dealers & strong internal financing."

Relatively few companies share private-label pie, but mounting demand could entice others into field. Wells-Gardner & TraVler Industries, both 100% private brand, rate 1-2 in field. Other participants: Muntz

TV, Westinghouse, Sylvania. Symphonic Electronic, a major factor in phono business, is expected to give private-label TV a whirl this year (Vol. 2:50 p10).

Private-labelers will make first serious move in color TV this year. "We did comparatively little with color last year," Gardner told us, "but we expect to make it an important segment of our business in 1963. We will be assembling our own color sets in our own plant by the end of May." TraVler Industries also is getting into private-label color, we were told by vp-gen. sales mgr. I. Edelstein. "We're now in the process of making our own color sets. We'll be out with them sometime this year." Muntz TV also expects to introduce color TVs this year, but "on a limited basis," Simberg said.

Demand for own-brand color sets is coming in from multi-outlet chains. W. T. Grant, for example, is marketing "Bradford" brand color set, supplied by Wells-Gardner, in 25 stores. Color set is walnut contemporary console with $569 price tag. Western Auto Supply, whose "Truetone" TV sets are made by Wells-Gardner & TraVler, says it will add color to line in May. Montgomery Ward, which has various suppliers (Wells-Gardner, Westinghouse) for its Airline line, is now marketing Airline color set.

We spoke with Montgomery Ward gen. merchandise vp C. W. Wood who told us "we are exclusive ly private-label in both color & b&w TVs. We were marketing RCA color sets but now we have our own brand." He said Montgomery Ward is aiming at 100% private-label merchandising as means of meeting discount competition. Pres. Robert E. Brooker recently reported that company will have 80% of its merchandise under house brand by year's end, compared with 40% at start of 1962. He said house brands are means of combatting loss-leadering tactics of discounters. Wood told us "house brands can be developed to the stature of national brands," said private labels are advantageous because "we eliminate intensive competition, eliminate the costs of national brand sets for advertising, sales commissions and so on, and we have captive customers." Here are additional comments we got from private-label companies:

Wells-Gardner: "We've had overtures from discounters," Gardner told us, "but we haven't taken any on so far. We want to be loyal to our old-line customers."

Muntz TV: "The people we sell private label TVs to are doing a better job for us in the categories we produce," Simberg said. "We don't make private-label portables. We concentrate on consoles and combinations, and we see an upward trend. We have been invited to bid on a lot of combo business, and we definitely see this phase of our private-label business increasing in 1963. We don't anticipate much change percentagewise in our 1963 private-label business from 1962's 10%. However, we'll be up in units & dollars because we're shooting for total sales of $15 million compared with $12 million last year."

Westinghouse: "We have no plans at the present time to go beyond our present private-label business, which is limited to Montgomery Ward," we were told by O. H. Yoxsimer, TV-Radio Div. gen. mgr. "We have no plans either to sell color sets that don't carry our own brand." He told us "there always are queries about private labels from buying syndicates. It's a continuing thing. There are some indications that more & more people are now looking at private labels and think they should be in it."

Sylvania: Principal customer for Sylvania private-label TVs is Golden Shield Corp., Home Electronics Corp. Pres. Robert Theis told us. Golden Shield, in which Sylvania at onetime held majority interest (Vol. 2:2 p8), has some 7,000 dealers in 1,500 U.S. communities. Theis said Sylvania is not private-labeling color TVs, and "we have no plans to do so at this time."

INDOOR FM ANTENNA SPARKS WIDE INTEREST: New product which came along at just right time is creating excitement in East Coast component hi-fi trade, and seems to have strong possibilities in package hi-fi field as well.

It's the Gallo indoor FM antenna system, which goes into nationwide distribution (at $29.95 list) around Feb. 1. Smaller than cigar box, Gallo system contains ¼-wave monopole printed-circuit antenna coupled to broadband transistor amplifier (22 db gain) which feeds into 5-ft. length of 72-ohm coax lead-in line. Unit is plugged into regular 110-volt outlet for power.

Trial marketing of system was conducted by direct mail through ads in *Diner's Club Magazine, Saturday Review & N.Y. Times*, resulting in about $100,000 worth of orders in first month. According to Pres. Carl

Gallo, warranty card returns show that about 4 out of 5 purchasers have FM stereo, almost all are component hi-fi enthusiasts.

Antenna system is made by Gallo Electronics Corp., 12 Potter Ave., New Rochelle, N.Y. Carl Gallo, former director of Lincoln School of Radio-Electronics, developed his antenna concept in 1956 for his own use as indoor ham transmitting & receiving antenna. He now plans new versions for TV, shortwave, citizens band, marine & amateur band.

Initial comments from users, according to Gallo, have been enthusiastic. (First unit was installed in East Side N.Y. apartment of Lucille Ball.) Although antenna is omnidirectional, Gallo claims it is not subject to multipath reception, often a severe problem in FM stereo. Officials of 24-hour FM stereo station WTFM Fresh Meadow, N.Y. (on which Gallo has been buying time) say they have tested antenna and found that it provides excellent FM stereo reception in most cases.

Antenna system will be marketed through both one- & 2-step distribution systems under marketing consultant Irving Greene. Larry Dubow is sales dir. No OEM sales, private-labeling or licensing are planned. If system works nearly as well as preliminary reports indicate, you can expect rash of similar and not-so-similar items on market. Importance of new gadget is that it may be first step toward eliminating biggest roadblock to widespread acceptance of FM stereo—need for outdoor antenna.

TV DISTRIBUTOR SALES UP 9% IN 1962: Preliminary unofficial sales estimates place 1962 distributor sales of black-&-white TV at 6,286,000, or 9% above 1961's 5,775,000. Radio sales were up 5% to 11,760,000 from 11,225,000.

Adding an estimated 350-400,000 color TV sales, TV had its best year since 1956 (when 7,028,000 sets were sold). Radio sales year was best in 13 years. If auto sets are included in total (more than 7 million), it was best in 15 years and 2nd best on record. (TV & radio figures include sets in distribution by U.S. manufacturers, including imported units which are sold by American set makers.)

Industry entered 1963 with inventories in good shape. TV stocks were 14% below last year at manufacturer level, about same as end of 1962 at distributor level. In radio, factory inventories were up 15%, distributor down 7%.

EIA predicted another good year in 1963, with factory sales remaining about same as this year. In newly published *Electronic Industries Review, 1962-63*, EIA this week forecast b&w TV factory sales of 6.2-6.3 million TVs (vs. 6,340,000 in 1962), radio factory sales of nearly 12.5 million (up from 11,695,000), phono sales remaining steady at 5 million, auto radio sales dipping to 6.5 (from 7.2 million).

Although consumer electronics factory sales will rise in dollar volume this year, EIA sees biggest growth area in electronics as industrial field, going to $2.7 billion from 1962's $2.4 billion. Aided by an anticipated $1.4 billion increase in govt. electronics spending (to $9 billion), EIA now predicts that by close of 1963, electronics will rise from its present position of 5th industry to nation's 4th largest industry.

1962 TV IMPORTS—2% OF MARKET: Imports of Japanese TV sets totaled more than 130,000 units, or over 2% of domestic market for black-&-white sets. This is more than 6 times last year's negligible total of about 20,000.

Based on arrivals at U.S. ports, Delmonico International accounted for about 50% of imports, or more than 61,000 sets. Sony appears to be No. 2 importer for 1962, with about 19,000 sets. Others, in approximate order: Olympic, 14,000; Matsushita, 14,000; Westrex, 10,000; Sharp, 9,000; Symphonic, 2,000.

Imports in 1963 are certain to be substantially above last year's figure. Many companies (Symphonic, Sharp, Matsushita, Channel Master) are just beginning their TV import programs or just starting to bring in new models. Matsushita, for example, has now joined tinyvision race, introducing new 5- & 9-in. battery sets at last week's Independent Housewares Show (at $229.95 & around $260, battery $29.95).

Japanese govt. TV export figures indicate heavy influx of TVs is on way. For first 11 months of last year, govt. said 137,875 TVs were exported to U.S., of which 29,152 were transistorized (Vol. 3:2 p10). Export figures are often higher than import figures because of time in transit.

Warning of increased electronics competition from Japan came recently from EIA marketing services dir. William F. E. Long in talk before Philadelphia IEEE. Said Long: "It is obvious that the Japanese intend no status-quo in their assault on world markets. The policy of the Administration to secure Japan as an ally in our struggle for world balance of power will undoubtedly continue to aid in this assault." He pointed out that margin of U.S. electronics industry's favorable balance "declined significantly during 1962 and our manufacturers face an increased flow of Japanese goods during 1963."

Eventual easing of price competition was foreseen by Long, however, as Japan's rapid economic growth brings about labor shortages and inflationary pressures.

Note: Air carriers are making increasing pitch for TV-radio-appliance import business in competition with shipping lines. Pan American has taken ad space in *Home Furnishings Daily* to announce that its cargo rates on such items will be reduced April 1. Examples: Tokyo to N.Y., 88¢ a pound for 440-lb. minimum (formerly $1.43, 550-lb. minimum); Tokyo to West Coast, 75½ a pound (formerly $1.30).

TV-RADIO PRODUCTION: EIA statistics for week ended Jan. 18 (3rd week of 1963):

	Jan. 12-18	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
TV	144,770	137,773	129,986	348,689	343,482
Total radio	325,217	330,726	343,290	877,112	987,582
auto radio	148,573	156,119	132,087	411,706	395,224

New plants & expansions: Magnavox is building at Greeneville, Tenn. a $5 million, 400,000-sq.-ft. production plant for color and b&w TV & stereo-TV combos. Plant is slated for completion in June • ITT will begin construction in late spring of $3.5 million, 115,000-sq.-ft. electronics manufacturing plant at Easton, Pa., scheduled to start operations before year's end • Texas Instruments is building $4 million, 290,000-sq.-ft. multi-purpose production plant on its 350-acre North Central Expressway site, Dallas. Partial occupancy is slated for this fall. Plant will serve largely to consolidate Apparatus Div.'s design & production activities now carried on in various locations • TelePrompTer in Feb. will relocate its Conley Electronics Div., Weathers Div. & corporate manufacturing, engineering & technical operations at enlarged Cherry Hill, N.J. facility (Vol. 2:51 p11) • Sylvania is building 4,000-sq.-ft. addition to its Wire Plant facilities in Warren, Pa. Construction, slated for completion this spring, will increase area to 75,235 sq. ft.

"The art of commercial definitions for high fidelity is improving rather slowly," is wry comment in Feb. *Radio-Electronics* (Gernsback Publications) about hi-fi definition EIA recently forwarded to FTC (Vol. 3:2 p9). *Radio-Electronics* quotes from Gernsback's old *Radio-Craft* magazine (Sept. 1934) a 28-year-old tentative definition of hi-fi by Engineering Div. of Radio Manufacturers Assn. (EIA's predecessor) as applying to receivers having audio range of at least 50-7,500 cycles with variations not exceeding 10 db, total output of at least 10 watts, total distortion not exceeding 5%. New 1964 definition provides for minimum MPO output of 5 watts, response from 100 to 8,000 cycles, with minimum acoustical output ranging from 74 db (8,000 cycles) to 80 db (1,000 cycles).

Thermoelectric portable refrigerator, which holds eight 12-ounce cans or equivalent volume, will be marketed this year by Whirlpool. Unit weighs 30 pounds, operates from 110-volt power source, is expected to retail for $110-150.

Philco will spend some $40 million in next 4 years to modernize & improve facilities & equipment. Consumer Products Div. will spend another $8.2 million over same period for tooling costs. "After a year of intensive study of the operations of Philco & its potential in each of the areas in which it operates," said Pres. Charles E. Beck, "we have developed what we believe to be realistic objectives of increased penetration in each of our markets. To reach the goals we have set for ourselves will require extensive investments." Among investments: Consumer Products Div. will spend $6.6 million to modernize & rearrange plants, purchase equipment for manufacture of new products; Lansdale Div., $7 million, to be spent primarily for equipment to produce new silicon semiconductor products.

Microelectronic circuits may be applied to TV, radios & phonos before their widespread use in industrial applications. This was prediction of lab mgr. George H. Siegel at opening of new GE $500,000 microelectronics lab in Utica. He said micro-circuits promise tenfold increase in reliability and 25-50% cost savings. Cost reductions, he said, will be most striking in consumer area. He forecast that microelectronics would be $500-million-a-year business in 5 years, with impact on industry similar to introduction of the transistor.

That 16-in. Symphonic set advertised in Spiegel's catalog at $79.95 (Vol. 3:2 p11) was priced at profitable figure, Chmn. Modie J. Spiegel is quoted in Jan. 24 *Wall Street Journal*. He predicted imported sets would normally be sold at $79.95 in future, "and the domestic producer will find a way to meet it."

All GE TV-stereo combos are now being sold equipped for company's "Home Music Distribution System." Tiny FM transmitter in combination permits use of extension speakers anywhere in house merely by plugging into power line.

COLOR BANDWAGON—ALL ABOARD: Color's momentum seems to be increasing almost daily now—as last holdouts in TV set field climb aboard bandwagon. One key is contained in statement by RCA Pres. Elmer W. Engstrom in RCA management team report Jan. 24 to N.Y. Society of Security Analysts:

"Color TV receivers and color picture tubes were the greatest profit contributors of any RCA products in 1962."

Among other developments in fast-accelerating color story:

(1) Philco confirmed that it will begin its own manufacture of color sets this spring, aiming at 300-400% increase in its share of that market. Vp-gen. mgr. Larry H. Hyde conceded that patent suit settlement with RCA (Vol. 3:1 p7) helped make possible Philco's entry, but wasn't responsible for decision. He said color sets would incorporate some important Philco-patented advances. It's understood that Philco will earmark about $1 million to prepare for color set manufacture.

(2) Canadian set makers pushed hard for color broadcasting start in hearing before Board of Broadcast Governors, while the 2 networks—CBC & CTV—sought further study and continuance of ban on colorcasting. RCA Victor (Montreal), now producing color sets for sale in areas where U.S. colorcasts are available, and Dominion Electrohone urged BBG to lift colorcasting restrictions, while Canadian Marconi asked that moratorium be continued. EIA of Canada recommended over-all plan to begin colorcasting at specific date.

(3) Private label begins to loom as important field for color—with Wells-Gardner, TraVler & Muntz all planning early entry, and such key accounts as Montgomery Ward, Western Auto & W. T. Grant placing orders (see story, p. 8).

(4) Importer Delmonico International, which showed 14- & 17-in. Japanese color sets at recent Chicago marts (Vol. 3:1 p9) is talking of importing $10 million worth of color sets beginning next June.

(5) Magnavox, hardly the most rabid color enthusiast in the past, concedes its 1962 color sales were above expectations, now plans to start producing own chassis next month.

(6) CBS-TV got another color sponsor—Campbell's Soups deciding to run *Lassie* in color for 4 or 5 weeks beginning Feb. 17. Network had previously announced its Feb. 17 *Tour of Monaco*, sponsored by Ford & Chemstrand, would be colorcast (Vol. 2:50 p4).

(7) RCA group exec. vp W. Walter Watts at week's end estimated 1962 color TV retail sales at "close to 450,000." At N.Y. Security Analysts' dinner, he explained his previous estimate that market could absorb 750,000-1 million color sets this year: "This is a projection of 1962's curve. It also represents our production limitations, particularly in the picture tube area. If I can believe the preliminary indications from our tube customers, I think one million is a pretty good bet. The question is—will they take them, and can we deliver them?"

American manufacturers used 12% more loudspeakers during first 11 months of 1962 than they did in same 1961 period, according to Hawley Products Co., St. Charles, Ill. manufacturer of speaker cones. Total rose to 40,868,592 from preceding year's 36,497,425. Increase was in oval speakers and in round speakers under 8-in.; tweeters and 8-in.-&-over categories declined on year-to-year basis. Hawley Products has also released list of "Laboratory Equipment Necessary for Making Adequate Loudspeaker Measurements," as proposed recently by General Radio Co. Total cost comes to $19,335.

IEW has offered to help RCA get govt. contracts. Noting that some 3,000 of its members have been furloughed at RCA's Camden, N.J. defense plants, union proposes a joint committee to study means for obtaining additional govt. business. RCA said proposal is "being studied by top management." Union emphasized that joint committee would devote itself exclusively to question of attracting new defense contracts.

Sales of electron tubes for broadcast, industrial & military equipment in 1963 will climb 10% to record $350 million, G. W. Duckworth, RCA industrial tube products mktg. mgr., predicted. Tube Div. vp-gen. mgr. D. Y. Smith said RCA tube sales in 1962 rose 20% over 1961 volume to record high, noted division "currently has annual sales in nine figures."

Reports & comments: MGM, comment, Bruns, Nordeman & Co., 52 Wall St., N.Y. 5 • National Tel-Tronics, memo, Edward F. Henderson & Co., 15 William St., N.Y. 4 • RCA, review, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4.

Private-label color TV is being marketed in 25 largest W. T. Grant stores which handle other consumer electronic products & major appliances. Sold under Grant's "Bradford" label, set is made by Wells-Gardner and is priced at $569 in walnut contemporary console cabinet. Local service dealers are retained for $70 one-year service contract, sold with set. The 1,031-store chain sells TV in its larger outlets, will expand color line and number of stores handling color if experience in the 25 stores is good. Color sets went

Cut-rate promotions on low-end transistor radios & tape recorders abounded at recent Independent Housewares Show in Chicago, according to *Home Furnishings Daily*, a trade publication for retailers. The publication reports retailers were offered 6-transistor radios as low as $5.75, 4-transistor recorders at $8, although there also seemed to be more emphasis on quality items than formerly.

Magnavox has developed electronic system, the Magna-Miler, which signals drivers when tire pressure slips below recommended levels. Intended primarily for trucks & buses, Magna-Miler embraces battery-powered transmitter on each wheel which is actuated by pressure switch on tire valve stem. Falling pressure closes electronic circuit, causes transmitter to send signal which triggers warning light or buzzer on dashboard.

Sylvania has slated "intensive" first-quarter ad program to support offer of free bowling ball to purchasers of HaloVision TVs (Vol. 2:52 p9). Program embraces TV spots throughout Jan., on ABC-TV's *Pro Bowlers Tournament;* daily "saturation radio spots" in key marketing areas through 2nd week in March.

Factory transistor sales in Nov. contained no surprises. Industry continued to sell more and earn less. EIA's figures show unit sales of 20,672,176 transistors—up 2.3 million over Nov.-1961's 18,342,285. Dollar value, however, increased by only $739,000 to $24,773,966 from $24,034,703. For year to date, industry sold 48.2 million more transistors than in 1961's Jan.-Nov. period, but earned $7.3 million less. Unit volume climbed to 220,975,480 from 172,749,515. Dollar value dropped to $267,347,517 from $274,655,222. Here are EIA's figures:

	1962		1961	
	Units	Dollars	Units	Dollars
January	17,238,376	$ 21,459,598	12,183,931	$ 22,955,167
February	20,239,880	24,151,155	13,270,428	25,699,625
March	22,932,655	28,202,422	15,129,273	29,815,291
April	19,621,048	25,097,960	15,072,064	27,388,278
May	21,217,919	24,951,738	15,128,181	25,113,042
June	21,776,037	26,374,356	17,899,005	26,148,746
July	15,434,205	19,476,017	11,227,388	17,506,011
August	20,369,281	24,128,668	17,193,860	25,155,627
September	20,568,110	24,729,997	19,386,202	27,220,248
October	20,905,793	24,001,640	18,232,530	24,018,037
November	20,672,176	24,733,966	18,342,285	24,034,703
Totals	220,975,480	$267,347,517	172,749,515	$274,655,222

Emerson Radio has sold its stock in Granco Products Inc. to Granco Pres. Henry Fogel for undisclosed amount, and is ending its exclusive marketing arrangement for Granco products. The 150,000 shares, which Emerson purchased in Nov. 1961 at 70¢ a share, would be valued at between $37,500 & $75,000, according to recent bid & asked prices for the over-the-counter stock. In Aug. 1960, Emerson obtained option to buy 540,000 shares, or controlling interest, but only purchased the 150,000. Granco, which specializes in low-priced FM radios, is now setting up own sales organization and renewing franchises with its former distributors. Pres. Fogel said Granco would also continue to serve its private-label customers, including Emerson, with which it has manufacturing contracts. Granco will announce new radio line by end of this month, according to Fogel.

New Sets: Dominion Electrohome of Canada introduced 3 new TVs and 4 stereo consoles to its U.S. franchised dealers through sales subsidiary International Electrohome. Top of TV line is TV-AM-FM-phono combo at $649.50; other 23-in. consoles are $419.50 & $339.50. Phono consoles are $299.50, $359.50, 399.50 & $529.50. Columbia Record Distributors introduced 4 new items under Masterwork label: Drop-down portable stereo at $79.95; portable stereo with AM-FM, $129.95; AM-FM clock radio, $89.95; stereo console with AM-FM, open list.

Distributor Notes: Motorola names four 19th Quarter winners of Climbers Club promotion, which honors quarterly improvement in TV market penetration by distributors. Winners: **Bristol Distributing**, Fargo, N.D.; Universal Products, Norfolk, Va.; McCracken Supply, Raleigh, N.C.; Cooper Distributing, Newark, N.J. • **Philco** names **Brown Distributing**, Atlanta (J. C. Brown, pres.), already distributor for 81 Georgia countries, to serve 50 additional Georgia counties relinquished by Ferrell-Wight, Albany, Ga. • **Curtis Mathes** names **Robert Thompson** sales rep for downtown Philadelphia, Pa.

Assets of TV-Electronics Fund increased to more than $373 million Jan. 15—up sharply from $331.9 million at close of 1962 fiscal year Oct. 31. Assets at end of calendar year, Dec. 31, rose to more than $359.8 million.

Trade Personals

Charles M. Kirkland elected Heath Co. pres., succeeding **Allan W. Greene**, resigned.

Jack Kramer, formerly Arvin Industries & Gem Electronics, joins Matsushita Electric Corp. of America in new post of consumer products mktg. mgr.

Arnold Henderson, former Emerson sales dir., rejoins Emerson as sales administrator from Dynamic Instruments Corp.

David T. Richardson named Magnavox corporate credit mgr., a new post; **Dean M. Davis** appointed Consumer Products Div. credit mgr., headquartering in Greeneville, Tenn.

John Hawkinson, TV Shares Management Corp. pres., elected a vp & a dir. of TV-Electronics Fund.

Ralph H. Glover named exec. vp of Muter's Jensen Mfg. Co. Div.; **Walter R. Wolfgram** named division mfg. vp, **Horace L. White** industrial sales vp.

David Libsohn, former General Magnetics & Electronics pres., joins Telectro Industries' Consumer Products Div. in general sales capacity.

William Szabo named contract operations & construction vp, Reeves Soundcraft's subsidiary Reevsound Co. . . . **Robert O. Vaughan** appointed mktg. vp of GPE's Librascope Div.

Dr. Robert T. Watson, onetime RCA Tube Div. executive, elected pres. of ITT's Industrial Labs Div.

Nicholas A. Rabiecki Jr., ex-Standard Systems Corp. & General Dynamics/Electronics, appointed closed circuit & ETV mktg. mgr., Sylvania Home & Commercial Electronics Corp. . . . R. Kenyon Kilbon promoted to RCA editorial & publication services mgr.

W. J. Cheesman appointed ITT telecommunications group mgr., continues as pres. of ITT Canada.

Robert E. Lewis, Perkin-Elmer pres., elected a Benrus Watch dir.

Algie A. Hendrix appointed General Dynamics industrial relations vp.

Stanford Kaplan appointed finance vp & a dir. of Republic Corp.'s Utility Appliance subsidiary; **Stanley Kraft** named engineering vp.

James J. Ling, Ling-Temco-Vought vice chmn., nominated chief exec. officer, succeeding **Robert McCulloch** who continues as chmn.

Seymour Mintz, onetime Capehart vp-gen. mgr., resigns as gen. mgr. of Datom Industries' Madison-Fielding Div.

Edwin E. Van Bronkhorst appointed Hewlett-Packard vp & treas.; **Ray L. Wilbur Jr.** & **William P. Doolittle** named vps.

Arnold E. Last appointed Westinghouse Appliance Sales mgr., a new post, responsible for distribution of TV & stereo products as well as appliances.

N. Thomas Berry Jr. named Regency Electronics gen. sales mgr., a new post, headquartering in Indianapolis.

Obituary

Joseph R. McCurdy, 48, RCA news & press services mgr., died Jan. 23 after long illness. Before joining RCA in 1959, he was a vp of Carl Byoir & Associates. His wife & 4 children survive.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Avco	1962—year to Nov. 30	$414,280,128	$ 39,340,276	$ 18,790,276[1,2]	$1.72[2]	10,937,474
Story below	1961—year to Nov. 30	323,142,012	25,513,052	12,982,052	1.24	10,511,500
Electronics Corp. of America	1962—year to Dec. 31	8,300,000	—	300,000	.41[3]	726,095
	1961—year to Dec. 31	7,544,277	—	256,577	.31[3]	749,495
Emerson Radio	1962—year to Oct. 31	80,371,180	4,766,734	2,278,159	1.00	2,278,739
Story on p. 13	1961—year to Oct. 31	70,903,466	3,751,344	1,851,684	.81	2,278,739
Hawley Products	1962—year to Dec. 31	7,500,000	—	400,000	1.40	260,000
	1961—year to Dec. 31	5,880,000	—	104,570	.44	238,450
Muter Co.	1962—year to Dec. 31	16,500,000	—	350,000	.28	1,257,695
	1961—year to Dec. 31	14,553,107	—	243,962	.19	1,199,094
Packard Bell Electronics	1962—qtr. to Dec. 31	14,275,000	—	522,000	.61	854,043
	1961—qtr. to Dec. 31	12,045,554	—	475,000	.57	840,094
Howard W. Sams	1962—6 mo. to Dec. 31	6,864,372	—	487,451	.90[3]	536,154
	1961—6 mo. to Dec. 31	6,707,953	—	478,309	.90[3]	526,950
Webcor	1962—6 mo. to Nov. 30	24,000,000	—	49,000	.05	940,737
	1961—6 mo. to Nov. 30	29,278,000	—	1,923,000	1.95	940,737

Notes: [1] Record. [2] Before non-recurring profit of $1,249,989 (11¢ a share) on sale of TV broadcasting properties. [3] After preferred dividends.

Mergers & acquisitions: ITT & General Controls Co. have agreed to merge, subject to approval of their stockholders. Latter's products include controls for household appliances • Howard W. Sams has acquired for undisclosed cash American Handbook & Textbook and its Theo. Audel & Co. Div. which publishes broad range of training & handyman books in variety of fields, including engineering & electrical • Avnet Electronics has bought 50% of Production Technologies, Jamaica, N.Y. maker of sheet metal dies. Avnet also has option to buy remaining ownership, will move Production Technologies to its Plainview, N.Y. facility • Beckman Instruments & Vector Mfg. have dropped their merger plans (Vol. 2:49 p11) • Litton Industries, owner since 1959 of 50.17% of Svenska Dataregister AB, Stockholm manufacturer of point-of-sale recorders & cash registers, has acquired a total of more than 90% of firm's outstanding shares • TV-Electronics Fund shareholders have approved continuation of their management & underwriting agreement with TV Shares Management Corp., paving way for sale by latter of 40% of its stock to Kansas City Southern Industries (Vol. 2:49 p16). KCSI will pay $10 a share, or $4,025,530, for stock offered by group headed by onetime TV Shares Management Pres. William H. Cooley & ex-dir. Robert D. Michels • Standard Kollsman Industries has purchased Grigsby Co., maker of electronic switches for "substantial sum of cash & stock."

TV-radio broadcasters were among 6 of 72 major industrial groups that closed 1962 with their stock performance ahead of 1961's, noted Jan. 23 *Financial World*. Broadcasters' 12.2% gain was topped only by shipping's 13.1%. In 1961, only 5 groups failed to post improvement, compared with 1962's 66 decliners. Declines ranged from 0.5% for equities of electrical household appliance firms to 50.8% for vending stocks. Electronics stocks were down 25.7%. TV-radio manufacturers were off 18.1%. Interestingly, *Journal* noted, "shipping companies & TV-radio broadcasters, the 2 outstanding gainers in 1962, had ranked close to the bottom of the list a year earlier."

RCA hopes to surpass 1962's first-quarter record sales & earnings this year, Pres. Elmer W. Engstrom told dinner meeting of N.Y. Society of Security Analysts last week at special presentation by RCA's top management team. Chmn. Brig. Gen. David Sarnoff, looking hale & hearty after recuperating from gall-bladder operation, reiterated that "pioneering & profit do become compatible." Among highlights presented by top RCA officials: (1) RCA home instrument, tube & component sales increased 22% over 1961, with profits up 55%. TV sets' dollar volume reached all-time high. (2) Computers will cross into profit column within 2 years. (3) RCA's sales to govt. ($600 million in 1962) account for 35% of its total business. (4) Color broadcast equipment could become $100-million business between 1963 & 1970. (5) RCA anticipates nearly fivefold increase in TV stations by 1970. (6) NBC's after-tax earning increased 35% in 1962, sales 12%.

Avco earnings rose 45% to record $18.8 million in its 1962 fiscal, ended Nov. 30, as sales climbed 28% to $414.3 million (see financial table). Company also had non-recurring income of $1,249,989 (11¢ a share) from sale of TV broadcasting properties. Operating profit in 4th quarter totaled $6.4 million & was record for any quarter. Previous fiscal high was 1961's $13 million. Previous quarterly high: fiscal-1962's 2nd quarter earnings of $5.1 million. Avco said govt. business accounted for 70% of 1962 sales, but consumer operations produced "slightly" more than 50% of profits.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Raytheon	Stk.	3%	Mar. 1	Feb. 7
Stewart-Warner	Q	$0.35	Mar. 9	Feb. 15
Texas Instruments	Q	.20	Mar. 14	Feb. 14
National Video "A"	Q	.06	Feb. 25	Feb. 5
TV-Electronics Fund	—	.03	Feb. 28	Feb. 1

NAB LIBRARY

WEEKLY **Television Digest**

FEBRUARY 4, 1963 NEW SERIES VOL. 3, No. 5

Albert Warren, Editor & Publisher, 911 - 13th St., N.W., Washington 5, D.C., Sterling 3-1755
David Lachenbruch, Managing Editor, 580 Fifth Ave., New York 36, N.Y., Circle 6-2215
Harold Rusten, Associate Editor, 111 Beverly Rd., Overbrook Hills, Philadelphia 51, Pa., Midway 2-6411
Michael H. Blake Jr., Assistant Editor, Washington. **Charles Sinclair, Contributing Editor,** New York

Arnold Alpert, General Manager, Washington

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

FCC REPULSED AT 'BATTLE OF OMAHA': witnesses praising stations, blasting FCC with accusations of attempted 'censorship' (p. 1).

COX HEARING A BREEZE—Sen. Magnuson's protege getting warm welcome, but also has to field sharp questions on FCC actions on programming (p. 2).

FINANCIAL PROFILE of independent telecasting firms shows excellent growth record, sound financing structure & good future prospects (p. 3).

BATTLE OF CATV GIANTS in Austin, Tex. produces victory for Vice President Johnson's family & Midwest Video after 4-way fight before City Council (p. 3).

WNDT'S GOULD ON ETV PROSPECTS: 'Remarkable progress' has been made in 10 years, he tells Washington cultural group, but ETV still infant (p. 6).

Consumer Electronics

MOLECULAR REVOLUTION almost at hand in consumer products, promising revolutionary impact at all levels of trade. Integrated circuits promise drastic cost reduction (p. 7).

CONSOLES DIPPED to 30% of b&w mix at factory level in 1962, preliminary figures show, portables & table models climbing to 65%, combos hitting record 4.5% (p. 8).

KIMCODE IN PRODUCTION by Westinghouse, which becomes 4th tube maker to offer new picture tube which requires no safety glass. No widespread swing to new tube seen before fall (p. 9).

BBB & LIST PRICES—7 MONTHS LATER: Fictitious pricing abuses are on wane, NBBB tells us, and complaints over was-is advertising are down (p. 9).

BROKERS LOOK AT CBS: Three houses forecast 1962 per-share earnings of $3.10-3.20 vs. 1961's $2.47, predict 1963 gain to $3.50-3.70; sales in 1962 are seen at half-billion-dollar mark (p. 12).

FCC REPULSED AT 'BATTLE OF OMAHA': Prospects for more Omaha-type hearings on local program grew mighty, mighty dim after last week's testimony. In a phrase, FCC was clobbered. Scores & scores of witnesses from every conceivable community organization testified before Comr. Henry, singing praises of city's 3 TV stations, growing increasingly critical of Commission as week wore on. Stations' witnesses were on stand at week's end, and hearing is expected to end by Feb. 6.

Comr. Henry seemed to hold up well during the barrage—a freshman commissioner sitting on one of hottest spots FCC has felt in years. He acknowledged that Omaha citizens seem to like their TV fare, said "I'm not sure that further inquiries along the same lines might be a good idea." From our soundings at FCC, we can conclude that Commission will have to get some awfully strong complaints before it will go into another city the same way.

Henry was treated to some of sharpest language heard in a Commission hearing. John Tate, exec. vp of Midwest Employers Council, representing some 300 industrial firms, told Henry that Omaha TV programming "is none of your business." Best way to improve TV, he said, is to abolish FCC. "Congress created the FCC monster, and Congress can destroy it. What qualified you to determine for me and the general public . . . what our TV fare should be?" He said people have "enough sense to pick their own mates, cars, books, automobiles & music. Why should you assume that we are unable to choose our own TV entertainment?" He said he'd prefer the judgment of local stations to that "of a Federal bureaucrat, including your chairman."

Somewhat more restrained, Gov. Frank Morrison, a Democrat, said: "I would hate to see the FCC open the door to anything which could be construed as Federal censorship"—and Henry assured him Com-

mission can't & won't censor. Sen. Curtis (R-Neb.), earlier in week, vowed he may ask for investigation of Commission after reading record. At end of week, he said he hadn't read it, still didn't know whether he'd seek probe.

Aside from such, most of testimony was from witnesses who described great cooperation they've received from stations for their organizations. Criticism of stations was negligible, not worth mentioning.

Station executives took stand at end of week, starting with WOW-TV's Payson Hall, who described station's policies & procedures with great care. Though licensee, Meredith Bcstg., has hq in Des Moines, he said, there's no "dilemma" regarding "licensee responsibility" and "local autonomy" for management.

COX HEARING—A BREEZE: Seldom has an FCC nominee had more felicitous setting for his Senate Commerce Committee hearing. Like doting father, Chmn. Magnuson (D-Wash.) told FCC Broadcast Bureau Chief Kenneth Cox "I'd be down there [testifying for you] if I weren't up here." Cox is his protege, has handled many tough TV hearing chores for him in past years, before joining Commission.

But Cox would have taken good care of himself, even before an indifferent or hostile Committee. Remarkably well informed, articulate, at ease, he fielded all questions without a blink—including those about Omaha hearing. He's likely to be confirmed this week. Committee can't vote on him until filibuster fight ends and Senate formally organizes itself. Meanwhile, his predecessor Comr. T. A. M. Craven received warm farewell at FCC party marking his retirement, 70th birthday and appointment as Commission consultant.

Only one flaw marred Cox's Senate hearing. Sen. Thurmond (D-S.C.) said he had some questions he wanted to explore in closed session. He wouldn't elaborate, but there was strong expectation at week's end that his questions would be resolved without a hearing.

The "Omaha" questions came from Sen. Morton (R-Ky.), who made it clear he sees no reason for such hearings: "It raises suspicions in the community. People think something is wrong. It's a hardship on the stations." He said he understands "there may have been some justification for the Chicago hearings."

Cox simply repeated FCC's reasons for Omaha hearing—to learn how stations determine programs needs and meet them. He said that Chicago hearings were "useful," that Omaha sessions' value would be determined by the record, that he didn't know whether there would be more such hearings.

Sen. Cotton (R-N.H.) was also concerned about FCC's activity in programming, though he said he was "impressed" with Chmn. Minow. He wanted to know why Commission asks about percentage of time given to education, etc. Cox said FCC needs a "broad idea" of programming but that there are "sharp limitations to its authority." Cotton asked Cox what can be done about programs with excessive crime & violence, and Cox stated: "The most FCC can do is advise the industry of the criticism, then leave it up to the industry."

Chmn. Magnuson noted that FCC had received 12,000 complaints last year, mostly about crime & violence. As for complaints about loud commercials, he said "I think I'd send a letter on that myself." Magnuson was interested in effects of all-channel-set law, asked whether it "would be in the public interest" for set makers to hike percentage of all-channel receiver production now, whether increased color-set production would help uhf, whether there's been increase in uhf applications.

Cox gave these responses: (1) Manufacturers are "very cooperative," are gradually stepping up uhf-set production, even before April 1964 deadline. (2) Uhf tuner is a smaller fraction of color-set price, so color sets may have larger percentage of uhf tuners. (3) Applications have increased somewhat—"but the full effects are some years off."

Among other Cox comments: FCC is doing utmost to help HEW Dept. put new federally-granted $32 million ETV funds to work; FCC has been taking "longer & deeper" look at renewal applications during last 3 years; Commission's housing situation is "pretty deplorable"—is "Exhibit A" among federal agencies with inadequate space.

Sen. Yarborough (D-Tex.) commended Commission for its handling of political controversies, got in plug for his own political-broadcasting subcommittee.

Another top FCC staff appointment is in works incidentally. Economist H. H. Goldin, now chief of research & education div., would become an asst. chief of Broadcast Bureau, concentrating on policy & planning, if Civil Service Commission approves the position & grade 16 raise. This would make 3 asst. chiefs of Bureau, and new research & education div. chief would be named.

FINANCIAL PROFILE OF BROADCASTING FIRMS: Truly impressive record of publicly traded TV-radio broadcasting companies has been documented for our subscribers in at-a-glance profile form by *Television Digest*, with aid of experienced financial analysts.

Up-to-the-minute financial profile shows good earning trend in these companies, as might be expected in continually expanding broadcast field. Most of the companies show conservative financing, and, of course, there's indication of strong continued growth potential.

Most shares of broadcasting firms are selling at or near their 1962-63 highs. Broadcasting was one of only 6 major industry groups whose stocks showed aggregate price rise from end of 1961 to end of 1962, out of total of more than 70 groups.

Tabulation below includes those firms whose primary activity is TV station operation, doesn't cover those with heavy non-TV-station components—networking, radio, manufacturing, publishing, theaters, etc.

In our continuing series of financial analyses, here is our specially prepared profile of 9 TV-radio broadcasters. We'll be interested in hearing from subscribers of any other related areas they'd like to see profiled. By the way, there are reports that Cox Stations group, now busily acquiring CATV systems, is considering spinning TV-radio-CATV properties off from newspaper holdings—and making public stock offer.

	Capital Cities Broadcasting	Gross Telecasting	Metromedia	Outlet Co.	Rollins Broadcasting	Storer Broadcasting	Taft Broadcasting	Trans-continent Television	Wometco Enterprises
CAPITALIZATION,									
Year ended	12/31/61	12/31/61	12/31/61	.....	4/30/62	12/31/61	3/31/62	6/30/62	12/30/61
Lang-term debt	$23,938,467	.....	$25,743,212	.....	$4,207,041	.....	$2,156,344	$5,872,954	$6,501,787
Minarity interest	.....	.....	.....	.....	.....	.....	.....	.....	249,504
Preferred	.....	.....	1,500,000	.....	.....	.....	.....	.....	.....
Common & surplus	4,509,276	$4,423,984	11,870,083	$10,821,665	4,011,694	$32,390,547	9,921,718	16,845,760	10,845,760
Comman, shares	1,168,223	400,000	1,707,057	497,100	956,496	2,437,450	1,578,938	1,768,272	1,008,757
ANNUAL EARNINGS PER COMMON SHARE (a)									
1958	$ .27	$1.92	$ .61	$1.80	$ .33	$ .68	$ .73	$ *	$ .46
1959	.33	1.68	1.00	1.70	.47	2.16	.99	*	.56
1960	.70	1.60	1.01	1.56	.38	2.05	.99	.67	.72
1961	.93	1.46	.67	1.93	.45	1.83	1.17	.75	.93
1962 (b)	1.25	1.48	1.15	1.95	.53	2.20	1.45	.93	1.14
STOCK MARKET DATA									
Camman traded	ASE	O-T-C	NYSE	NYSE	ASE	NYSE	NYSE	O-T-C	O-T-C
1962-63 price range	21⅜—10¼	21¾—18	18—10⅜	25½—19	14¾—10¼	33¼—27¼	22—13	12½—7¾	20⅜—12¼
Recent price	19⅜	21¾	17⅞	22⅜	13⅜	33⅞	22	12½	19¾
Dividend, annual rate (c)	Nane	$1.60	30c	$1.20	40c	$1.80	50c	50c	60c
Yield		7.4%	1.7%	5.4%	3.0%	5.3%	2.3%	4%	3.0%
Price earnings ratia (b)	15.5	14.7	15.5	11.5	25.2	15.4	15	13.4	17.3

(a) Adjusted for all capitol chonges and mast non-recurring items. (b) Latest 12 months earnings. (c) Metromedia poid 10c extro in 1962; Taft, 10c extra in 1962 ond 2½% stock in 1960, 1961, & 1962; Wometco, 40% stock in 1962.

* Not comporable.

AUSTIN—BATTLE OF CATV GIANTS: The powerful political name of Vice President Lyndon Johnson has been added to community antenna business. Last week, Austin, Tex. City Council granted CATV franchise to Capital Cable Co., in which Mrs. Johnson's LBJ Corp. has option for 50%. Capital Cable is subsidiary of Midwest Video, big Ark.-based CATV operator headed by C. Hamilton Moses—also a substantial political figure. LBJ Corp. controls city's KTBC-TV (Ch. 7).

City's grant to Capital Cable came after bitter fight involving 3 other competitors — all of them big CATV guns: (1) Independent Cable TV of Austin, including NCTA Chmn. Glenn Flinn of Tyler and Austin newspaper. (2) Vumore Corp., owned by RKO General. (3) Mico Corp., Dallas, represented by Frank Valentine, attorney for multimillionaire C. A. Sammons, long a major CATV owner. (Flinn, incidentally, last week reported sale of his Tyler & Jacksonville, Tex. systems, with about 9,000 connections, to Dallas businessman Jack Vaughn—price undisclosed.)

Capital Cable won in 4-0 vote after bitter battle before City Council. Its franchise is non-exclusive,

but there's question whether phone company can or will accommodate competing cables on its poles. City also owns some of poles, will charge CATV $3 per pole per year.

Contract provides, among other features: at least 8 CATV channels, distribution of all local stations' signals, a weather channel, no installation charge, $4.95 monthly fee, readjustment of rates after 3 years to produce "fair return," payment of tax to city of 2% of gross.

All-in-all, the Austin action is another mark in growing significance of CATV—its move into larger cities, its attraction of telecasting interests.

Personals

Dr. George R. Town, Iowa State U. dean of engineering, will receive NAB's 1963 Engineering Achievement Award at annual convention.

J. Drayton Hastie elected pres. of Reeves Bcstg., succeeding **Richard Weininger** who becomes chmn. of exec. committee; **Hazard E. Reeves** elected board chmn.

Richard M. Dunn, ex-Wade Advertising Bcstg. dir., Chicago, named ABC-TV Daytime Program Development dir.; **Irv Wilson,** ex-WGN-TV Chicago gen. sales mgr., appointed sports & special programs supervisor, both new posts. Wilson is succeeded in Chicago by **Richard E. Jungers.**

Louis Dorfsman, CBS-TV sales promotion & advertising creative dir., awarded Cooper Union Augustus St. Gaudens Medal for Professional Achievement, highest award given to an alumnus.

FCC Chmn. & Mrs. Minow fly Feb. 14 to Geneva, where he'll be spokesman for U.S. delegation at UN conference on use of science for underdeveloped countries, in Feb. 16, 18, 19 sessions. They'll go to London for Feb. 21-22 meetings with heads of BBC & ITA, leave for U.S. Feb. 23.

Joseph M. Sitrick, Blackburn & Co., elected Washington Broadcasters Club pres., succeeding NBC vp & WRC-TV-AM-FM Washington gen. mgr. **Joseph Goodfellow.** Other new officers: **Alfred Beckman,** ABC Washington vp, chmn.; **Robert Kennedy,** Kear & Kennedy, vp; Maury Long, *Broadcasting* vp & gen. mgr., secy.; **Lawrence Richardson,** WTOP-TV-AM-FM Washington, treas.; **Howard Frazier,** management consultant, asst. treas.

Arthur Hamilton, ex-WNBC-TV production & business affairs mgr. and radio WNBC N.Y. station mgr., appointed radio WJAR Providence station mgr., succeeding **James E. Gleason,** who moves to WJAR-TV as program dir.; **Frederick R. Griffiths** promoted to WJAR-TV & WJAR public affairs mgr.

Gerald B. Grinstein is promoted to chief counsel of Senate Commerce Committee, succeeding Harold Bayton; he's 30, a Seattle attorney, has been on staff since April 1958, concentrating on marine, fishery & transportation activities.

Dr. Michael M. Bennett, St. Petersburg Junior College pres., elected educational WEDU (Ch. 3) Tampa pres., succeeding **Col. Brintnall H. Merchant,** who remains a dir.; **William E. Coletti** appointed production mgr.

Bruce Wallace, WTMJ-TV-AM-FM Milwaukee promotion & public service mgr., elected Wis. Bcstrs. Assn. pres., succeeding Don Wirth, radio WNAM Neenah vp & gen. mgr. . . . **Gus Chan,** ex-radio WAAT Peoria, appointed program dir., new WCIU (Ch. 26) Chicago, due in May. . . . **Gil Lee,** asst. to pres. of KBTV & radio KBTR Denver, retires Feb. 15.

H. Keith Godfrey promoted to MCA TV vp, N.Y. . . . **E. Jonny Graff,** ex-Independent TV Corp. syndication sales vp, named Embassy Pictures TV vp, N.Y., a new post.

Ulrich Hitzig, Swiss TV Network programming official, is spending 2 months as guest of WRCV-TV Philadelphia, observing station operations.

Hugh G. O'Gara named WJRT Flint local sales mgr. . . . **Kenneth Hatch** promoted to KSL-TV Salt Lake City national sales mgr.

B. T. (Ben) Newman appointed to new post of broadcast administrative mgr., General Electronic Labs.

Richard L. Freeman appointed mgr., Detroit, Adam Young, succeeding **William Morgan,** resigned to become gen. mgr., WPON Pontiac, Mich.; **Lewis S. Krone** appointed radio account exec., N.Y.

Obituary

Joseph A. McDonald, 59, Washington TV-radio attorney, plunged 150 ft. to death Feb. 1, from bridge over Cabin John Creek near Glen Echo, Md. Friends reported he'd been suffering severe depression. He was partner in firm of Hennessey & McDonald, came to Washington in 1958 after serving as a top attorney for NBC in N.Y. since early 1930's. An expert on copyright matters, he served for years on committees negotiating music rights for networks & station groups. From personal standpoint, he was distinguished by gentle & gentlemanly manner. His widow, son, 2 daughters, survive.

■

Ban on TV-radio in courts (Canon 35) should be retained, American Bar Assn. special committee concluded last week, stating: "Since most of our state judges still are elected in political campaigns, in which their success can be affected by the media of public communication, it is unfair to subject them to potentially powerful pressures for a favorable decision as to courtroom privileges. . ." NAB Pres. Collins termed this "a shocking lack of confidence in the integrity & objectivity of the judiciary."

NAB may rent offices to outside organizations in new building planned adjacent to hq. in Washington. Reports of possibility has started scramble of inquiries. Building plans are still in early stages. It isn't known whether new structure will cover both new & old sites, how much will be spent, target for completion, etc. New building committee will be appointed soon.

American Assn. of Advertising Agencies holds annual meeting April 25-27 at The Greenbrier, White Sulphur Springs, W. Va.

FTC's false advertising charges against Geritol (Vol. 2:52 p5) were denied by J. B. Williams Co. & agency Parkson Advertising, N.Y. Firms disputed Commission's allegations that symptoms described in remedy's commercials often indicate internal bleeding caused by deficiencies which Geritol doesn't help, and that use of product may mask signs of serious disorders. Company declared that over 60 million bottles of Geritol have been sold in past 13 years with great benefit to "countless persons." Dismissal of complaint was requested by Williams & Parkson, contending scope of FTC's order was beyond agency's jurisdiction. In similar case, Commission approved initial decision against Hadacol Inc., Chicago, for making nearly identical claims for New Super Hadacol.

A $250,000 tape will be erased by NBC & producer George Schaefer after telecast of *Hallmark Hall of Fame* Feb. 6. Wipeout of *Pygmalion*, the Shaw classic starring Julie Harris & James Donald, was demanded by Warner Bros., which now owns rights to musical adaptation, *My Fair Lady*, and which cagily bought up film rights to play at same time. In eyes of Messrs. Warner, TV show taped in advance of telecast and stored for future play was in realm of "mechanically reproduced" entertainment. Point could conceivably be argued at length that tape & film are different media, but NBC had little choice with only few days to go. Thus, drama special will be one-shot in traditional sense with no replays on TV.

Raising Japanese ceiling of some $3.3 million annually which can be spent by Japanese broadcasters for import (primarily U.S.) film or tape TV shows is major goal of John G. McCarthy, pres. of TV Program Export Assn., who left last week on extensive tour of Far East. Before leaving, McCarthy stated there was "optimum" chance that Japanese govt. would scrap ceiling system entirely, & allow stations & networks to buy foreign shows with "unlimited remittance of dollars." McCarth also plans stopovers, for TVPEA propaganda purposes, in Australia, New Zealand, Hong Kong, Phillipines.

New peak for advertising was reached in Nov. 1962 according to *Printers' Ink* last week. General index for all advertising investment was at 247, with spending 3% above strong month of Nov. 1961. Magazines, interestingly, led gains, and largest increase, also point of interest, was in general monthly magazines. Network TV was up 8% with newspapers remaining even. Network radio, business papers & outdoor reported volumes below Nov. 1961 levels. Spot TV, not counted in general index of *PI*, was up 17% from 1961.

CBS had biggest gains in gross TV time billings for first 11 months of 1962 vs. similar 1961 period, with increase of 16.8% to new level of more than $283 million, according to TvB. NBC had gain of 12% to reach $257 million. ABC moved up 7.4% to level of $186 million. Combined gross billings of networks rose 12.5% to new peak of $727.4 million. Daytime billings on weekends showed largest percentage increase (21.2%) in 11-month period, reflection of near sellout situation in nighttime TV which moved up only 9.3%.

Return of radio drama—in FM stereo—will be pioneered by GE, which will pre-empt its weekly *GE Music Theater Hour* (QXR FM network) 4 times in March, April & May to present 60-min. taped stereo dramas featuring Agnes Moorehead, Joseph Cotton, Peter Ustinov, others.

Loud commercials do exist—and something can be done about them—according to report in Feb. 9 *TV Guide*, by David Lachenbruch, managing editor of *Television Digest*. Networks do good job, he reports, but makers of commercials for local insertion use such varying techniques that station engineers can't ride herd on them. He said several engineers suggest: "Commercials with concentrated (and compressed) sound should be run arbitrarily with their peak levels 3 db lower than the peaks of the programs preceding them."

Computers won't replace "the judgment required in analyzing results" in media selection, and in terms of end result "do not improve over currently available systems." That's opinion of Gerald Pickman, vp & dir. of creative research services for Kudner Agency, in recent speech before Sylvania advertising-marketing staffs. Computers were long on speed, short on intuition, he indicated.

"First truly professional transistorized vidicon camera" has been announced by GE, which claims it's "capable of handling up to 80% of today's studio shows at operating cost reductions as much as 90%." Among other claims for camera: picture quality similar to 4½-in. IO tubes; initial cost 50% less than comparable IO unit; camera channel, less monitoring, consumes only 155 watts.

Resignation of Philip L. Graham as chmn. of incorporators of new Space Communications Corp. was accepted with "great regret" by President Kennedy. Graham, head of Washington Post Co. & *Newsweek*, explained that he had planned to resign upon selection of group's chief executive officer, which should take place shortly; he also cited health reasons. N.Y. attorney Samuel Harris probably will replace Graham until completion of incorporators' duties.

"Communications Satellite Corp." was formally established in Washington last week after approval by President Kennedy, as provided in Communications Satellite Act of 1962. Summary of articles of incorporation may be obtained from Newmyer Assoc., 1000 Vermont Ave., NW, Washington.

"Combination rates"—joint deals for spots by 2 or more stations in an area—were attacked by FCC last week. It warned all stations involved to quit, "with reasonable diligence." Commission said practice raises serious anti-trust questions, conflicts with FCC policy—and isn't in public interest. Stations, as well as public, are entitled to protection from unfair competition, Commission said.

Eight vhf drop-ins, long in works at FCC, are due for consideration by Commission this week. Prospects are still favorable for addition of a channel each to: Oklahoma City (shift from Enid), Knoxville, Johnstown-Altoona, Birmingham, Dayton, Jacksonville, Charlotte, Baton Rouge.

Gannett Co. is buying WREX-TV (Ch. 13) Rockford, Ill. for $3,420,000. Gannett recently dropped efforts to purchase WAVY-TV (Ch. 10) Portsmouth, Va., after FCC said a hearing was necessary on station owners' promise-vs.-performance record (Vol. 2:49 p4).

Richmond, Va. ETV station is planned by group which is readying campaign to raise $752,089. Drive will be run by Central Va. TV Corp., headed by Thomas C. Boushall.

"Public service grant," amount undisclosed, has been given by Philip Morris Inc. to educational WNDT N.Y.—for 30-min. nightly news analysis *The World at 13*.

WNDT's Gould on ETV's Prospects: Educational TV has made "remarkable progress" in 10 years but is still an infant, according to Samuel B. Gould, pres. of educational WNDT (Ch. 13) N.Y.

Speaking last week on "Television and the American Values" before Institute of Contemporary Arts in Washington, he said a minority of respectable size is emerging, seeking programs of "high purpose & merit." This minority could become major audience, exerting powerful influence on TV, he contended.

Freedom of both educational & commercial TV to seek truth is hampered by numerous pressures—commercial, govt., political—but if medium is to be effective it must have freedom to air controversial issues, Gould told group. Citing recent Nixon-Hiss furor on ABC-TV, he said WNDT had similar difficulties for allowing pro-Castroite to appear on a panel during Cuban crisis.

In news conference preceding address, Gould contended $32 million federal aid-to-ETV bill was "good start" but doubted whether it's enough to have much effect. Boosted by all-channel-set law, ETV will build 200-300 more outlets within 10 years, he said.

■

Creation of Kansas ETV agency to begin development of state system has been recommended to Legislative Council by Committee on Education. In 84-page study, *Educational Television Status and Prospects*, group suggests agency have initial financing of at least $1 million to get first outlet on air. Committee urged that as soon as practicable, state apply to FCC for stations, employ exec. dir., appropriate $6,752,877 capital costs and $710,000 operating costs for first 2 years. Document is Publication No. 239, available from Research Dept., Kansas Legislative Council, Topeka.

House Small Business Committee will be headed by Rep. Evins (D-Tenn.), who replaces Rep. Patman (D-Tex.); latter becomes chmn. of Banking & Currency Committee. New chmn. for Subcommittee 6, which handles probes of small business advertising opportunities in TV, hasn't yet been designated. Former Chmn. Alford (D-Ark.) resigned to make unsuccessful bid for Governor.

Ad agency came to rescue of educational KQED San Francisco, which planned to drop *Open End* discussion program due to lack of funds. Guild, Bascom & Bonfigli Inc. announced it would underwrite program—with no commercials. Chmn. David Bascom said ad agencies have "moral responsibility" to contribute to betterment of communications.

Two foreign-language ETV series will be distributed in U.S. by McGraw-Hill Book Co. under exclusive agreement signed with Independent TV Corp. Series are *French From France* and *Ici La France*, produced by Associated TV Ltd., England.

N.J. ETV development bill has been signed by Gov. Richard Hughes, N.J.E.T.V. Corp. Pres. Orville J. Sather said legislation assures state a complete ETV network within 3-5 years. Group plans first station in Glen Ridge by fall.

Importance of spot TV in introducing new products is outlined in new Katz Agency publication, "Launching Your New Product," available from Katz Spot TV Sales Development Dept., 666 Fifth Ave., N.Y. 19.

Radio Nord, highly successful "pirate" commercial broadcaster which operated off Stockholm for several years until Swedish authorities imposed restrictions on advertisers that forced it to quit, has been re-equipped in Ostend and is reported readying to operate in the waters between England and northern France, throwing signals also into Belgium & Holland. Allegedly backed with Texas money (said to be Murchisons), ship is named *Magda Maria*, has operated 10 miles offshore, thus escaped both national & international regulation. Another such, Panamanian carrier ship *Nele* which carried Belgian "pirate" radio known as Uilenspiegel, is reported from Holland, which also had taken legislative action to curb its operation, to have been driven ashore in a heavy gale recently and silenced; moreover, its owner, George de Caluwe, of Antwerp, has died. Its 5-kw allegedly gave it 80-mi. coverage and, like its lower-powered counterpart off Sweden, it was reputed to be big money-maker but thorn in side of govt.-owned Dutch & Belgian radio systems which were irked by popularity of its programs.

Foreign TV-radio personnel who come to U.S. under exchange programs should receive more comprehensive training than they get, according to U.S. Advisory Commission on Information. In 18th annual report to Congress, Commission headed by Cox Stations' Exec. Dir. J. Leonard Reinsch also urged sending more U.S. experts abroad to provide on-the-job training in use of basic technical facilities. Report lauded performance of USIA in 1962, particularly during Cuban crisis.

Launching of Syncom I, Hughes Aircraft's high-altitude communications satellite (Vol. 2:42 p4) has been postponed until at least Feb. 13. Satellite will have one phone channel, no TV, will be orbited mainly to test positioning. NASA spokesman attributed delay in launching to technical difficulties at station aboard Navy ship in Lagos harbor, Nigeria.

First Indonesian TV station, RRI-TV, has started in Djakarta, transmitting 2 hours nightly. Operators hope to expand to 8 hours daily, covering 13 cities, using 625-line system. RRI estimates about 5,000 sets in country, mostly Japanese-made. Govt. hopes to have 100,000 in use by end of 1963.

First Gabon TV service will begin in April, initial programming limited to educational & news shows. Receivers will be located in viewing centers for mass coverage. Govt. of former French West African territory has signed contract for installation with French firm Societe Francaise des Techniques.

Canadian-made TV set sales rose 21% to 289,000 during first 9 months of 1962, TvB of Canada reports. Sales for year will be estimated 430,000, 2nd only to 1957's 457,700. TV households reached 4,157,700 in 1962, up 131,200 over previous year.

BBC claims it's ahead of rival ITA TV network in audience. In Oct.-Dec. 1962, BBC said, it pulled 52% of viewers with sets equipped to pick up both channels. This is first time since 1955 that the non-commercial network has surpassed its commercial rival.

Marconi has received $1,820,000 contract for transmitting equipment for 6 uhf stations, as part of BBC plan to provide uhf service for Britain. Equipment will be 625-line, to be delivered by Feb. 1965.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

MOLECULAR REVOLUTION IN CONSUMER PRODUCTS: Consumer electronics now stands on brink of technical revolution so radical it may be secondary in significance only to development of the vacuum tube. You may well see first product evidences of it this year. Within few years, it will be industry's most-discussed topic, with drastic & dramatic implications from top to bottom of trade.

We're referring to the rapidly growing solid-state technology known as molecular electronics—or, if you prefer, "integrated circuits" or "functional blocks" or "microcircuitry." A pie-in-the-sky development for military circuits & computers? No. Probably far more than many in the trade realize, integrated circuitry will have its most profound influence on consumer products—starting soon.

In 5 short years, molectronics has startled some of its most fervent enthusiasts with its rapid progress. Believed ideally suited for military & computer electronics because it makes possible drastic reductions in size, weight & power drain and almost unheard-of increases in reliability, this technology has now advanced to the point where it promises 2 qualities which make it a natural for consumer products: Potential ease of mass production, and sharp reduction in costs over present TV-radio-phono production & circuit techniques.

Molecular electronics, an outgrowth of transistor technology, involves fabrication of entire semiconductor circuits—including transistors, resistors, capacitors, inductances—in one single unit. Thus, an entire amplifier circuit might be deposited or "grown," occupying space of a postage stamp or matchhead, with no identifiable "components" or connections. External connections (probably the cause of most equipment failures) can be cut down as much as tenfold.

What is new in this field is increasing belief that this technique is ideally suitable for consumer products, and indications are that microcircuitry is already being penciled-in for pioneering use in consumer items this year. And this will be the year that molecular circuits first go into mass production for military equipment.

Importance being attached to this new technology is evidenced by fact that Westinghouse is now building 2 new molectronics plants—in Baltimore & on West Coast—and has established molecular electronics as full-fledged department in its components group, bringing in C. Harry Knowles, former asst. gen. mgr. of Motorola Semiconductor Products, to head it. GE has just opened $500,000 microelectronics lab in Utica. Virtually every semiconductor manufacturer is giving top priority to molectronics research, development, and—now—pilot production.

• • • •

First to point out integrated circuits' ideal affinity to consumer products was Westinghouse—almost 2 years ago (Vol. 17:26 p15), to the accompaniment of raised eyebrows and even outright snickers from some segments of industry. At recent opening of GE's micro lab, gen. mgr. George H. Siegel predicted that "microcircuitry might not follow the traditional role of evolution from military to industrial to commercial application. Rather, the pressure of rapidly decreasing prices may well permit incorporation of microcircuits in commercial & home entertainment equipment—TV, radios & phonographs—prior to their widespread use in industrial applications" (Vol. 3:4 p11).

"Every prediction about microcircuits has been conservative," Siegel told us last week. "We had been predicting 1970, but now it wouldn't be surprising to see it extended to consumer items within 3 or 4 years. He said microcircuits promise tenfold increase in reliability, coupled with 25-50% reduction in cost in mass production. Techniques for making single-crystal circuits are identical to those for making silicon transistors, he told us. "Currently, it appears that circuits can be made [in mass production] for about 4 times the cost of a transistor."

At Westinghouse, R&D vp Seymour W. Herwald told us: "It's coming sooner than many people will admit. And now it's becoming clear that in addition to its other advantages, molecular electronics is funda-

RCA dealers who engage in fictitious was-is advertising get hit where it hurts—in the co-op ad fund. Under new RCA Sales Corp. policy, dealers who use comparative prices in ads must furnish affidavit to their distributors, for relay to RCA, that they have sold sets for the "was" price advertised. Unless dealer can prove that "was" part of ad is as was, RCA won't okay co-op ad claim, spokesman told us.

Trade Personals

John L. Utz resigns as Emerson vp & asst. to pres. . . . John P. Prymack, ex-Westinghouse tube dept., joins Du Mont Labs divs. of Fairchild Camera as product ad mgr.

Joseph B. Elliott, onetime RCA consumer products head, named chmn. of Borg-Warner's York Div., succeeded as pres. by Gerald V. Patrick.

O. John Hayles appointed operations vp of Sylvania's Home & Commercial Electronics Div., a new post.

Kenneth A. Jackson appointed mfg. engineering supervisor, Sylvania Microwave Device Div., Williamsport, Pa.

Thomas P. Collier, Motorola Overseas Corp. pres., joins International GE Feb. 15 as consumer & commercial electronic liaison, a new post, with hq in N.Y.

John S. Sturgeon retires as Magnavox financial vp. . . . Dr. Seymour S. Kremen appointed Hawley Products research & development dir.

Marvin L. Bruckner, Oxford Electric's Speaker Div. sales mgr., named chmn. of EIA's Loudspeaker & Loudspeaker Parts Section, succeeding William H. Bingham, asst. to pres. of Hawley Products, who becomes chmn. of Sound System Components Subdivision of EIA's Parts Div.

Irving Rossman, former Pentron Electronics pres., resigns as Universal Audio pres. to activate his Ionic Industries & transfer this maker of portable phonographs from Evanston, Ill. to 1823 Colorado Ave., Santa Monica, Cal.

Corbin A. McNeill, industrial relations dir., & Frank P. Barnes, telecommunications mktg. dir., elected ITT vps.

Ralph W. Jones, Fairchild Publications' Chicago Bureau chief, will join Motorola as Consumer Products Div. PR mgr., succeeding Dude Hubka, resigned

Obituary

Sir Isaac Shoenberg, 82, TV pioneer & a dir. of Electric & Musical Industries Ltd., died in London. He headed EMI Research Labs team that developed 405-line TV system used by BBC.

Distributor Notes: Sylvania appoints R & R Electronics Supply Co., 914 W. 7th St., Amarillo, distributor for Texas, New Mexico & part of Oklahoma • Admiral & Lone Star Wholesalers, Dallas, have terminated their distributor relationship • Sylvania will occupy around June 1 a 60,000-sq.-ft. distributor center in Seattle to serve 4-state Northwest area with TV picture & receiving tubes, complete line of home lighting products • Fleetwood appoints Loman Associates, Detroit, sales rep for stereo consoles in Michigan, western Ohio, eastern Indiana; Meyer-Cotlar & Associates, St. Louis, for Missouri, Kansas, southern Nebraska; S. I. Lasner Co., Pittsburgh, for western Pa. & eastern Ohio; Henry Fine for Florida; J. H. Souther for Georgia, Alabama, North & South Carolina; Southern Associates, Nashville, for Kentucky & Tennessee • Westinghouse Appliance Sales appoints 3 new district managers: Harry A. Cheney for Dallas district, succeeding R. L. Wagner, resigned; A. B. (Bud) LeCrone, for Oklahoma City, succeeding Cheney; Hal H. Wilkins, St. Louis, succeeding Richard W. Sanford, resigned.

"Employer of the Year" award has gone to Ace Electronics, Somerville, Mass. Award is sponsored by NAM, given annually to outstanding employer of the handicapped.

■

"Logical & progressive" introduction of color in Canada was proposed to Board of Broadcast Governors by RCA Victor Co. Ltd. Pres. John D. Houlding suggested this program at color-TV hearings in Ottawa: (1) Establish technical standards for color transmission. (2) Permit stations to broadcast local color immediately if they wish to. (3) Establish planned program with target date for start of national color-casting within 2-year period. Houlding said there are about 4,500 color sets in use now in Canada (in U.S. border areas), and estimated that one-third of them were purchased in 1962.

New sets: Du Mont introduced nine 23-in. TVs, including 2 consolettes, priced below company's previous 23-in. sets at $199.95 & $219.95, and consoles at $249.95 & $349.95. GE announced 21-set portable radio line, including 3 carry-over models. Line begins with 6-transistor miniature at $16.95 with gift pack (replacing former non-gift pack unit at $14.95); includes 8-transistor miniature with gift pack at $19.95, new 2- & 3-band sets at $29.95 & $49.95 and 7-transistor full-size set at $29.95.

Tung-Sol Electric has sold one million compactrons, a company spokesman said last week, predicting growing market for this multi-element tube design. Tung-Sol was among first manufacturers to produce 12-pin tube types, and has been making & selling them since 1960. Statement was made in comment on our recent report which indicated that only 2 companies were making compactrons (Vol. 3:2 p10). Actually, at least 4 tube makers are in the field. We regret the error.

GE will team with Reynolds Metals to finance portion of Louisville, Ky. urban renewal project. Major Appliance Div. vp-gen. mgr. William H. Dennler said "it is expected that GE will become a co-venturer with Reynolds" in financing an all-electric, 250-unit apartment building. Reynolds plans to build in Louisville a $24 million redevelopment project embracing 4 buildings with total 1,000 apartments, a 250-unit motel, shops.

Seeking dealers for his Auto-Stereo system, Earl W. Muntz is now advertising in retail trade press, offering "exclusive territories." Headquartered in Beverly Hills, Cal., Muntz's new operation offers cartridge tape player (using continuous-loop design found in broadcast & background music systems) designed for installation in automobiles & boats. There is also version for home use. List price is $129.

Officers & Directors stock transactions as reported to SEC for Nov.:

Allied Artists. Roger W. Hurlock bought 500, held 36,100.

AB-PT. James G. Ridell sold 200, held 2,308.

Arvin Industries. Eldo H. Stonecipher bought 100 in Oct., held 2,650.

Decca Records. MCA bought 10,400, held 1,307,715.

Desilu Productions. Desi Arnaz sold 17,550, held none. Lucille Ball bought 17,550, held 35,050. Desi Arnaz sold 282,800 Class B, held none. Lucille Ball bought 282,800 Class B, held 565,600.

Electro-Voice. Wayne Beaverson bought 100, held 3,336.

Electro-Science Investors. James J. Ling sold 201,000 in Oct., held 528,175. Alpha-Omega Corp. bought 207,000 in Oct., held 207,000.

Emerson Radio. Abraham Vogel sold 1,800, held 3,927.

Filmways. Lee Moselle bought 800 in Oct., held 1,000.

GE. Fred Borch sold 600, held 11,375. Cramer W. LaPierre sold 3,000 in Oct. & 1,000 in Nov., held 13,677.

Giannini Controls. Damon Van Utt sold 926, held none. John D. Warren sold 100, held 300.

Globe-Union. Ralph Conway bought 1,950, held 6,450. Chester Wanvig Jr. bought 100 in Oct. & 900 in Nov., held 21,473. R. H. Warner bought 450, held 1,755. W. T. Warrander bought 1,950, held 2,400.

Hallicrafters. Kenneth C. Prince sold 100, held 2,400.

Hazeltine. Harold Wheeler bought 100, held 5,000.

Hewlett-Packard. W. Noel Eldred bought 5,004 in Oct., held 14,184. Ralph Lee bought 3,336, held 20,174. Noel Porter bought 5,004, held 20,199. E. E. van Bronkhorst bought 2,502, held 4,564.

Hoffman Electronics. Stanley Horrocks bought 200, held 300.

Lear Siegler. Pierpont Hamilton sold 300 in Oct., 200 in Nov. & 100 in Dec., held 37,321. Albert Keske bought 295, held 839. Chester Thompson bought 1,100 in Oct., held 2,199.

Ling-Temco-Vought. D. H. Byrd sold 15,000 in Oct., held 19,948. Alpha-Omega Corp. bought 20,000 in Oct., held 20,000.

Litton Industries. Roy L. Ash sold 1,800, held 195,206. Charles B. Thornton sold 7,200, held 486,464.

Macfadden-Bartell. Gerald A. Bartell bought 400 in Oct., held 319,271.

Magnavox. Richard A. O'Connor sold 20,000, held 149,701.

Motorola. Edward R. Taylor sold 100, held 7,600.

Movielab. Saul Jeffee sold 600 Class A in Oct., held 600.

Muntz TV. Floyd G. Dana bought 500 in Oct., held 5,553.

National Video. Harold Cole bought 100 Class A in Oct., held 1,100.

Outlet Co. Bruce Sundlun bought 100, held 1,125.

Oxford Electric. Robert Minsky sold 600 in Oct., held none. Sidney Ungar bought 2,500, held 22,711.

Pacific Industries. George McGrew sold 500, held 226,820.

Paramount Pictures. Randolph Wood sold 6,275, held 1,000.

Pentron Electronics. R. L. Moxley sold 1,000, held 195,380.

RCA. Ernest Gorin sold 430, held 2,700. Howard Letts bought 1,697, held 2,153.

Reeves Bcstg. & Development. Premier Investing bought 3,400, held 80,400.

Rollins Bcstg. John W. Rollins bought 100 as guardian, held 9,396 plus 3,500 as guardian.

Standard Kollsman. Robert Eland sold 1,000 in Oct., held 122.

Storer Bcstg. Lionel Baxter bought 6,000 Class B, held 6,250. Bill Michaels bought 8,750 Class B, held 8,750. George B. Storer sold 14,750 Class B, held 858,390.

TV Development Corp. Robert Cornell bought 800 in Oct., held 1,625.

Thompson Ramo Wooldridge. Dean E. Wooldridge sold 500, held 34,143.

20th Century-Fox. Francis S. Levien bought 5,000, held 27,000.

Warner Bros. Herman Starr sold 5,500, held 11,000.

Webcor. Charles Blake bought 100 in Oct., held 100. John Luttrell bought 100 in Oct., held 100. Paul Roth bought 100 in Oct., held 100.

Zenith. James Anderson bought 2,700, held 8,850. Karl Hassel bought 900, held 3,600. John Kuhajek bought 900, held 2,970.

———■———

Westinghouse posted 25.6% profit gain on 2% sales rise in 1962, according to preliminary figures released last week (see financial table). Earnings climbed to $57.1 million from 1961's $45.4 million as sales increased to $1.954 billion from $1.913 billion. Pres. Mark W. Cresap Jr. said all product lines contributed to profit gain, attributed improvement to increased volume & greater operating efficiency. New orders booked in 1962 were up 9% from 1957's record $2.069 billion, he pointed out, and total backlog at year's end was highest since 1959. Westinghouse working capital at end of 1962 totaled $705,795,000—down from $715,309,000 a year earlier. Cash & marketable securities declined to $121,483,000 from $215,890,000 at 1961's close. Cresap attributed decline in cash largely to increased inventories & drop in both progress payments & advance billings from customers.

Sparton Corp., Jackson, Mich. maker of TV cabinets, military electronic equipment, other products, expects 40% sales rise & net of nearly 50¢ a share in fiscal-1963's first half, ended Dec. 31. Sparton also has a Canadian Div. that produces TVs & radios. Pres. John J. Smith estimated for total 1963 fiscal, ending next June 30, earnings of $1 a share on $28.5 million sales—up from fiscal-1962's 67¢ on $25.5 million sales. "In 1956 Sparton lost half of its sales when it went out of the TV & radio manufacturing business," Smith noted. "It has recovered" those lost sales in other divisions, he said, noting that sales of Electronics Div., formed in 1956, have gained to $15 million annually.

Metromedia's 1962 earnings more than doubled to "approximately $2.5 million, or $1.40 a common share," from 1961's $1.2 million (68¢), reported Chmn.-Pres. John W. Kluge. The 1962 figure includes net-non-recurring gain of "about $2 million, or $1.18 a share," from $3,250,000 capital gain on sale of certain outdoor advertising properties & $750,000 capital gain from sale of short-wave radio WRUL. Kluge estimated 1962 gross revenues climbed to about $53 billion from 1961's $48.7 million, predicted 1963's first-quarter performance would top 1962's Jan.-March earnings of 8¢ a share on $12.3 million revenue.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Beckman Instruments	1962—6 mo. to Dec. 31	$ 37,244,317	$ 4,338,436	$ 2,343,436	$1.53	1,534,943
	1961—6 mo. to Dec. 31	34,550,469	3,872,913	2,092,913	1.37	1,529,419
Granco Products	1962—6 mo. to Dec. 29	1,200,000	—	43,000	.08	—
	1961—6 mo. to Dec. 29	1,220,000	—	(137,000)	—	—
Lear Siegler	1962—6 mo. to Dec. 31	98,042,972	4,970,657	2,914,056	.74[2]	3,911,168
	1961[1]	—	—	—	—	—
	1962—qtr. to Dec. 31	51,065,033	2,479,508	1,534,433	.39[2]	3,911,168
	1961[1]	—	—	—	—	—
P. R. Mallory	1962—year to Dec. 31[5]	99,060,031	10,671,145	5,121,145	3.22[1]	1,530,642
	1961—year to Dec. 31	85,197,027	9,363,224	4,513,224	2.82[1,6]	1,530,642[6]
Taft Bcstg.	1962—9 mo. to Dec. 31	9,329,842	3,840,842	1,827,379	1.16	1,570,717[3]
	1961—9 mo. to Dec. 31	7,973,358	2,858,670	1,379,810	.88	1,570,717[3]
	1962—qtr. to Dec. 31	3,600,444	1,712,825	863,343[4]	.55	1,570,717[3]
	1961—qtr. to Dec. 31	3,079,328	1,304,090	635,624	.40	1,570,717[3]
Varian Associates	1962—13 wks. to Dec. 29	17,929,322	—	1,079,517	.27	3,950,090
	1961—13 wks. to Dec. 29	16,232,466	—	826,543	.21	3,897,373
Varnado	1962—qtr. to Nov. 30	38,893,322	1,080,339	1,023,204	.78	1,310,593
	1961—qtr. to Nov. 30	28,202,406	889,821	863,929	.66	1,310,593
Westinghouse	1962—year to Dec. 31[5]	1,954,479,000	98,661,000	57,061,000	1.56[1]	35,623,294
Story on p. 11	1961—year to Dec. 31	1,913,770,000	86,946,545	45,446,545	1.23[1]	35,612,003
	1962—qtr. to Dec. 31	526,730,000	—	16,932,000	.46[1]	35,623,294
	1961—qtr. to Dec. 31	526,258,000	—	20,434,000	.56[1]	35,612,003

Notes: [1] Comparison figures not available because of June-1962 merger of Lear & Siegler. [2] After preferred dividends. [3] Outstanding Dec. 31, 1962. [4] Record. [5] Preliminary. [6] Adjusted to reflect 2% stock dividend Dec. 1962.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Internat'l Resistance	Q	$0.10	Mar. 1	Feb. 15
Lear Siegler	Q	.10	Mar. 1	Feb. 11
Meredith Publishing	Q	.35	Mar. 13	Feb. 21
Storer Bcstg.	Q	.45	Mar. 8	Feb. 21
Storer Bcstg.-"B"	Q	.12½	Mar. 8	Feb. 21
Taft Bcstg.	Q	.15	Mar. 14	Feb. 15
Taft Bcstg.	Stk.	2½%	Mar. 14	Feb. 15
Tung-Sol Electric	Q	.17½	Mar. 1	Feb. 15
Westinghouse	Q	.30	Mar. 1	Feb. 8
Zenith	Q	.25	Mar. 29	Mar. 8

Reports & comments: **GPE**, comments, J. W. Sparks & Co., 120 Broadway, N.Y. 5 • **AT&T, Magnavox & United Artists**, comments, Orvis Brothers, 15 Broad St., N.Y. 5 • **RCA & Westinghouse**, discussions, Reynolds & Co., 120 Broadway, N.Y. 5 • **Bendix**, discussions, Hornblower & Weeks, 40 Wall St., N.Y. 5 • **Terminal-Hudson Electronics**, review, Baruch Brothers & Co., 44 Wall St., N.Y. 5 • **Avco & Whirlpool**, comments, Bruns, Nordeman & Co., 52 Wall St., N.Y. 5 • **AB-PT**, analysis, Hirsch & Co., 25 Broad St., N.Y. 4.

GE's 71st annual meeting will be held April 24 in San Francisco, marking first time meeting has been scheduled west of Chicago.

Matsushita enters hi-fi component field with Panasonic "Motional Feedback" system containing amplifier & 2 speaker systems, to be priced at $375 in U.S.

Brokers Look At CBS: Enthusiastic, indeed, are major stock brokers about CBS Inc., if recent reports of their research departments are criterion. J. R. Williston & Beane, for example, described CBS as "world's leading advertising medium," said it "is experiencing an extremely prosperous 1962 year that should easily prove the most successful of its history from both a sales & an earnings standpoint." Divine & Fishman Inc. echoed: CBS "ranks as the largest generator of advertising dollars in the world. Perhaps this obscures the basic fact that CBS is the leading broadcasting company in the U.S. . . . especially in profitability."

CBS's 1962 sales, Williston & Beane, noted, "are expected to reach a half-a-billion dollars for the first time ever, with earnings of at least $3.15 a share expected, compared with $2.47 a share last year, on sales of $474 million. Earnings for 1963 should show further gains, carrying to $3.50 a share or more."

Divine & Fishman sees it this way: "With no drain from the electronics division [sold in mid-1961] & margins well under control, earnings seem assured of achieving a new peak [in 1962] of perhaps $3.10 per share on volume of perhaps $495 million. As for 1963, TV billings should record another peak, radio profits should be maintained. Additionally, there will be a 20¢ per share fillip to earnings through, in effect, placing a greater burden of program costs on affiliates. All in all, revenues should perhaps reach $510 million & earnings could well ascend to the $3.70 mark."

Interestingly, in our first analysis of stock brokers' analyses of broadcasters & electronics firms (Vol. 3:1 p6), Abraham & Co. forecast for CBS 1962 per-share earnings of $3.20 & "rise to around $3.70 in 1963."

NAB LIBRARY
FEB 11 1963

WEEKLY **Television Digest**

FEBRUARY 11, 1963 NEW SERIES VOL. 3. No. 6

Albert Warren, Editor & Publisher, 911 - 13th St., N.W., Washington 5, D.C., Sterling 3-1755
David Lachenbruch, Managing Editor, 580 Fifth Ave., New York 36, N.Y., Circle 6-2215
Harold Rusten, Associate Editor, 111 Beverly Rd., Overbrook Hills, Philadelphia 51, Pa., Midway 2-6411
Michael H. Blake Jr., Assistant Editor, Washington. **Charles Sinclair, Contributing Editor,** New York

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

FCC SPONSORS 'CUB' FOR UHF PROMOTION. Comr. Lee heading committee of Commission & industry representatives, planning first meeting at NAB convention (p. 1).

ADVERTISING & GOVT. EXCHANGE sales pitches in annual AFA-AAW Washington conference (p. 2).

PEACE CORPS READIES COLOMBIAN ETV, aims for pilot station in Bogota by end of year. Other countries ask similar aid (p. 2).

OMAHA HEARING ENDS with station chiefs defending local-live output, prime-time scheduling, Comr. Henry terming sessions 'fruitful & helpful' (p. 3).

'STEREO WITHOUT MUSIC' pioneer by GE in FM stereo network drama series testing public reaction. TV tie-in possible (p. 4).

TV'S FABULOUS INVALID, syndication, keeps thriving—but it's not business of bang-bang half-hours as of yore. New movies, color series, 'reality' shows, cultural programs—all are part of new trend in station-level program sales (p. 4).

CATV IN TEXAS & GEORGIA: Austin grants 2nd franchise, may allow more, will install more poles if needed. GAB's Carow reports CATV interests plan big microwave, seek franchises in 'dozens' of cities (p. 5).

'THE LATE SHOW': WCBS-TV N.Y. celebrates 12th anniversary, compiles noteworthy statistics (p. 6).

Consumer Electronics

1962 IMPORT STORY: Another big jump in Japan-to-U.S. exports, but price-crumbling continued. Transistor radio exports rose 71% in year, while average price dropped to $9.19. TV exports to U.S.: 154,467. Tables of imports from Japan, Hong Kong, Okinawa (p. 7).

SYLVANIA RAISES SIGHTS on color tubes, predicts '63 sales of 750-800,000, hopes to sell 50,000 of that number; sees 21-in. 70-degree as industry standard, offers shorter 125-degree b&w tubes (p. 8).

RADIO PRICE CUTS—another round may be in works, following moves by GE & Magnavox reducing gift-pack & deluxe sets (p. 9).

COLOR 'PENETRATION' in major cities, estimated by trade magazine, places Cincinnati at top of list, with color accounting for 6.4% of sets there (p. 10).

TOSHIBA—PROSPECTS & PROSPECTUS: Japan's mighty electronics-electrical firm earned $28 million on $734 million sales in fiscal 1962, plots major expansion program; prospectus shows TV sets accounted for 13% of sales, consumer product sales totaled $306 million (p. 11).

MUNTZ TV ENDS CHAPTER 10: Feb. 5 payout of $295,581 liquidates $5 million indebtedness dating to 1954, completes Chapter 10 reorganization plan (p. 12).

FCC SPONSORS 'CUB' FOR UHF PROMOTION: That FCC-industry uhf-promotion program we alerted you to about a month ago (Vol. 3:2 p3) is now public—Commission confirming it with announcement last week. Comr. Lee will head up FCC participation, aided by Comr. Henry. Lee tells us he's aiming for first conference during NAB convention in Chicago March 31-April 3. Asked about his plans, he said:

"I think we should keep it open now, let everyone make his suggestions at the meeting. I'm very hopeful about it." Idea was hatched by EIA's L. M. Sandwick, who foresees major contributions from set-making industry.

"Committee for the Full Development of Uhf Broadcasting" is what FCC calls proposed organization (we suggest it be called CUB, for short), inviting all interested organizations to come on in. No commissioner dissented from establishing CUB, although Comr. Ford has long been concerned lest uhf stations proliferate too quickly—booming & busting as many did in years following end of freeze in 1952. Said FCC in announcing formation of CUB:

"Through such a committee, which would function over the coming critical years, the Commission could obtain insight into the problems as they arise and, where appropriate, take corrective rule making or

other actions. For example, Commission action might be taken to assure, as fully as possible within its jurisdiction, the technical development of uhf broadcasting and reception. As to these important technical aspects, the Commission believes it most desirable that there be a continuing forum for face-to-face exchanges between the uhf broadcasters and the TV set manufacturers during this critical period.

"The Committee could also perform the very useful function of collecting and disseminating information concerning the practical problems confronting the uhf broadcaster in differing market circumstances, the methods used by broadcasters to meet those problems, and whether a particular method was successful or effective. As to this latter function, the Commission representatives, in recognition of the fact that such practical marketing questions are matters for the broadcaster—and not the Commission—would not participate."

PEACE CORPS COLOMBIA ETV PROJECT: Plans for pilot ETV project in Bogota, Colombia, before end of 1963 are being pushed by Peace Corps. In addition, agency has been asked by govts. of other Latin American countries and some African & Asian nations to establish similar projects for them.

Initial plans are to program over existing facilities to classrooms in Bogota area, according to Corps Assoc. Dir. William Haddad. Govt. of Colombia has pledged $200,000 toward project, asked Agency for International Development for additional $320,000. Ford Foundation is also interested, will send survey team to Colombia this month to determine whether it will contribute.

Corps officials hope to extend service to 1,500 Colombian classrooms, telecasting initially in afternoons, eventually mornings also. Next phase would be programs to adults in evenings. Agency is recruiting personnel, plans to send 60-man teams to each station. About 7-10 of these will be technical & administrative people to teach local personnel to operate facilities; other 50 would go into field to show teachers how to use ETV in classrooms.

AID officials are enthusiastic about project, told us chances are good for quick action on Colombia's request for funds, which would be used to purchase monitors for classrooms. Somewhat similar plan by AID last year (Vol. 2:34 p8) ran into sharp criticism in Congress, but no problem is anticipated this time.

ADVERTISING & GOVT. EXCHANGE SALES PITCHES: Advertising's principal gripe against regulatory Washington—Federal Trade Commission's rambunctiousness—remained last week after 5th annual mid-winter govt.-industry conference sponsored by Advertising Federation of America and Advertising Assn. of the West.

FTC Chmn. Dixon remained unconvincing in his efforts to persuade industry to accept legislation providing for "temporary cease-&-desist" orders. These would enable FTC to stop alleged unfair business practices pending full investigation.

At opening session, AFA Gen. Counsel John J. Ryan reiterated opposition to pending bills: "The legislation gives to an administrative tribunal, responsible to no body of the electorate, an absolute power to enjoin the activities of any person, natural or corporate, whenever in its sole discretion it shall deem this advisable. And the only safeguard to liberty offered in this bill is the right to request the self-same Commission which issued the order to reverse its own judgment." (He also noted that House Commerce Committee Chmn. Harris (D-Ark.) may introduce legislation to give FCC direct regulatory power over networks.)

In lectern-pounding speech, Dixon insisted that cease-&-desist power is needed to protect honest businessmen against the unscrupulous few. He declared that both govt. & industry spokesmen are "creating suspicion & hostility where none should exist." Pending bills are HR-1105 by Rep. Patman (D-Tex.) & HR-594 by Rep. Steed (D-Okla.). Identical measures got nowhere last session.

FCC Chmn. Minow made no speech. In q-&-a period, he said Omaha-type local-live hearings "are desirable; they're like income tax returns; everybody should be audited occasionally." After Comr. Henry reports on Omaha, he said, Commission will decide whether to conduct more of same.

Westinghouse Bcstg. Pres. Donald H. McGannon told group that TV-radio must reach mass, aim for majority. A noble effort viewed by almost nobody isn't in public interest, he asserted. (McGannon is particu-

larly well suited to present that position, because he's noted for distinguished efforts to reach public with non-entertainment public-affairs programs.)

Among other speakers, whose remarks are covered in detail in your advertising trade press: (1) HEW Undersecretary Nestingen—on agency's role in food, drugs & cosmetics advertising. (2) Consumer Advisory Council member Persia Campbell—on her group's purpose ("I hope you will look upon this development not as a threat, but as an opportunity for more effective cooperation.") (3) Conference Chmn. Arthur Fatt—who reported that 11 of 16 ad agency presidents believe advertising's relationship with govt. has been as good under Kennedy as with Eisenhower. (4) Time Inc. Chmn. Andrew Heiskell—on values of free & competitive media & their ads. (5) *Denver Post* Publisher Palmer Hoyt—"the much maligned institution of American advertising is really a solid cornerstone of our freedom." Bell & Howell Pres. Peter Peterson—"My confidence in the brains & backbone of the consumer grows daily. . . . It behooves us to be extremely careful & skeptical about any legislation that proposes to restrict the free choice of consumers." (6) Grocery Mfrs. of America Pres. Paul S. Willis—on "Advertising: Lifeblood of the Food Industry." (Full texts of most of foregoing available from AFA, 655 Madison Ave., N.Y.)

OMAHA—FINIS: Omaha "local-live" hearing was wrapped by FCC Comr. Henry last week, and he told newsmen that sessions had been "fruitful & helpful," that they had "made an impact on Omaha and the broadcast industry. . . . Leaders here, and the people, have been made much more aware of the nature of the FCC's role in broadcasting, as well as of broadcasters' responsibilities."

Hearing concluded with testimony by KETV & KMTV witnesses. FCC attorneys presented exhibit showing following amounts of local-live programming during Oct. 1962: WOW-TV, 11.6%; KMTV, 14.7%; KETV, 10.3%. KETV's Eugene Thomas argued that "prime time" is "one of the most misunderstood terms used in 1963." He said, for example, that a local program aired 9-10 p.m. competing with *Ben Casey*, would have "very unsatisfactory" time period. He said KETV telecast 2,379 local-live programs in year ending Nov. 30, 1962.

KMTV's Owen Saddler insisted that "talent is one of the scarcest commodities in Omaha" and that witnesses who had expressed desire for more local programming had done little to bring such material to stations.

FCC's contingent believes it did thorough job of exploring issues, and Omahans, generally, thought Comr. Henry conducted hearing in dignified & judicious fashion. Nonetheless, what may have sounded like a good theoretical concept to Commission has backfired from a political & public relations standpoint.

———■———

Public service programming requirements by govt. imposition would be "massive larceny . . . tantamount to robbing [broadcasters] of our right to do good," NAB Exec. vp Vincent T. Wasilewski said last week. He told luncheon of Public Service Institute, sponsored by NAB & American U. in Washington that to preserve meaning of public service, broadcasting must be kept free from coercion. At Institute banquet, Ruder & Finn PR agency Pres. William Ruder said PR can be "two-way street" between the people & management. If improperly handled, he warned, PR can be "enormously dangerous tool."

WFAA-TV Dallas got FCC renewal last week after Commission concluded that station's past record of handling local programs is indicative of future. Said Commission, in letter to station: "In your response to the Commission's letter, you indicated that your policy of preempting regularly scheduled programs during prime hours afforded sufficient flexibility in your program schedule to accommodate the particular needs and interests of the Dallas community. In this connection, you submitted a list of programs broadcast during such hours from July, 1961-June, 1962, which, according to your response, 'in most cases pre-empted network shows.' Additionally, in 1961 you instituted a program entitled 'Let Me Speak To The Manager,' which is regularly carried from 10:30-11:00 p.m. on Sundays and which specifically treats with the problem of ascertaining and serving the needs and interests of the community. We have assumed that these actions are a reasonable measure of your policy for the ensuing license period, and have renewed your license in reliance upon such an understanding." All commissioners (Henry absent) voted for renewal—but Hyde dissented on sending letter.

FCC rapped knuckles of Teleprompter and owners of 2 CATV microwave systems—because former took over substantial control of latter before getting FCC approval of transfers. However, Commission approved the sales, with a warning. Systems involved are Intermountain Microwave, Mont., and Major Electronics Inc., Ore. Commission said that parties' action "constitute a serious infraction of the Commission's processes and cannot be condoned. . . . The parties are hereby advised that any further infraction of the Commission's processes will not be tolerated and may result in the institution of revocation proceedings. However, since it appears that the aforesaid violation stems from an apparent confusion concerning the Commission's requirements, the Commission will not take any further action at this time."

Continued ban on TV-radio & photographic coverage of trials was voted by American Bar Assn. House of Delegates in New Orleans last week, as expected (Vol. 3:5 p4). Group elected to retain Canon 35, though NAB Gen. Counsel Douglas Anello & National Press Photographers Assn. Pres. Joseph Costa argued against it.

GE PIONEERS 'STEREO WITHOUT MUSIC': Novel experiment in FM stereo drama will be started next month by GE & QXR FM network, with their *Stereo Drama of the Month* series (Vol. 3:5 p5). Staged, taped dramas will be aired over 40 FM stations, broadcast in stereo by 26 of them.

"We feel this type of program will appeal to the trend-setters and opinion leaders we are trying to reach," we were told by George A. (Tony) Bradford, mgr. of GE's marketing operation. "We also hope it will extend the value of FM stereo." GE TV, radio & phonos will be plugged in the stereo commercials.

The 4 plays will be "Turn of the Screw," with Agnes Moorehead (March 6), "Billy Budd" with Peter Ustinov (March 27), "Fall of the House of Usher" with Joseph Cotton & Patricia Medina (April 17) & "Visit to a Small Planet" with Cyril Ritchard. Stereo listeners will be advised to separate their speakers more than usual for maximum staging effect. Two of the plays will be produced by Hy Brown, 2 by Helen Hayes' Equity Theatre.

GE frankly doesn't know if series will go over. It doesn't yet know how effective its weekly *Victor Borge Show* in FM stereo has been (it goes off air next month). But it feels that for the tiny cost (as measured by TV production standards) it may find some interesting by-products. At least one of dramas may be recorded on stereo LP disc and offered to FM network listeners to test audience reaction.

Bearing in mind that GE has petition pending with FCC for establishment of technical standards for stereophonic sound on TV, it's possible, too, that company may want to get public reaction to stereophonic aspects of drama. How about using FM stereo for simulcast sound with TV? "We may try that later with a special event or documentary," said Bradford.

———■———

ETV is "a lusty youngster" but still struggling for widespread acceptance, Feb. *Changing Times* reports in "Educational TV—What it is, Where it's Going." Despite lack of funds & occasional public apathy, medium has made healthy progress in past decade, but for continued development money must appear "in double and triple present amounts," magazine says. With more funds, trained personnel & higher pay, ETV's turning point may be just around corner, according to report.

FTC charged 2nd advertising agency in comparative analgesic study case (Vol. 3:3 p2). Commission cited Thompson-Koch Co., N.Y., along with Sterling Drug & Dancer, Fitzgerald, Sample, for making false claims in advertising an FTC-financed study of Bayer Aspirin & 4 other remedies.

New Voice of America 4.8 million-watt long-range transmitter complex at Greenville, N.C. went into service Feb. 8. Installation will double agency's overseas power, was inaugurated at ceremonies attended by USIA Dir. Murrow, a congressional delegation & other officials. Work on $23,273,000 project began 3 years ago.

BBC ban on jokes on evening TV programs has been lifted. Fifteen-year-old code had prohibited gags about royalty, sex, religion, certain other sensitive subjects.

TV's Fabulous Invalid: Like Broadway legit theater, syndication is often viewed by alarmists as being on point of expiring, but like live theater keeps surprising everyone with periodic resurgence. Here are few highlights of current shape & direction of syndication:

Syndicated movie packages are getting closer to theatrical runs (particularly in such "art house" films as "Hiroshima, Mon Amour," now making TV rounds). Embassy Pictures, operated by astute Joseph E. Levine, now talks deals with stations in which as-yet-unproduced movies are discussed in TV-package terms.

Movies are also getting bigger & better. Coming up on Feb. 15, for example, is world TV premier of "From Here To Eternity," a Columbia Pictures Oscar-blockbuster of few seasons ago, on KTVT Dallas. MGM-TV is busily racking up sales on its 3rd group of post-1950 pictures, and Seven Arts is doing well with recent Warner product, about half of which is in color.

Half-hour action-adventure fare, typified by *Highway Patrol*, has almost vanished from new-product scene, although reruns still play on & on. Trend today is toward such product as station-produced documentaries sold by TV Affiliates Corp., Teledynamics' literate *Meet The Author* series, ABC Films' feminine-appeal *Girl Talk* daytime strip, Official Films *Biography*, Seven Arts' hour-long *Boston Symphony Orchestra Concert Specials*, etc.

Off-network shows continue to flow into syndication market. And, since trend at network level has been toward hour-long drama shows (apart from situation comedy), growing number of syndicated shows are of 60-min. length. In face of continuing shortage of low-priced feature packages, many stations use such rerun shows (*Surf-Side Six*, *Checkmate*, etc.) back-to-back as substitute or replacement for movies.

———■———

"More & more observers . . . are raising serious questions about the organization & procedures of our federal legislature. There are even those who argue that the Congress is running a bad third among the 3 coordinate branches of the govt., and that it is painting itself into a corner of relative obsolescence. I am sure that the Congress has a vitality & viability that can respond to the new demands of the New Age. But it can respond, and indeed evolve, only if the people themselves are brought into more direct contact with its processes. Radio & television can do just that."—CBS News Pres. Richard S. Salant, in *Bulletin* of American Society of Newspaper Editors.

"Broadcasting in a Free Society" will be subject of panel discussion at April 3 afternoon session of NAB annual convention in Chicago March 31-April 3. Erwin D. Canham, *Christian Science Monitor* editor & network radio commentator, will be moderator. Washington communications attorney Theodore Pierson will argue for less govt. control of broadcasting, U. of Cincinnati Law School Dean Roscoe Barrow will talk in support of more federal regulation. Four additional panelists, not yet selected, will participate.

NAB Broadcast Engineering Conference luncheon address in Chicago April 1 will be given by Sidney Metzger, RCA expert who headed development of equipment for "Relay" satellite.

CATV—IN TEXAS, GEORGIA: That strange Austin, Tex. CATV dispute (Vol. 3:5 p3) took another strange turn last week. City Council had finally franchised Capital Cable Co., in which Mrs. Lyndon Johnson has interest, to build system. Three other applicants weren't accepted—though Council said contract with Capital isn't exclusive. Last week, comes now new applicant—TV Cable of Austin, headed by John G. Campbell, operator of CATV in Mineral Wells—and also gets Council go-ahead. Campbell says he'll build $1-million system, holding 25%, offering rest of stock to public.

Meanwhile, Bell System spokesman bounced back & forth regarding ability to put more than one CATV system on poles. At latest reading, Bell says it can handle more than one. But—city owns power system and ⅔ of city's poles, Bell the remainder. And Council said it will handle all CATV systems, install more poles if needed.

Good final questions: Can CATV be profitable in Austin? City has one station, but good antennas pick up 4 stations from San Antonio & Temple. And will more operators be franchised? If so, will there be wasteful duplication—eventual consolidation?

* * * *

In Georgia, Ga. Assn. of Bcstrs. TV vp Raymond E. Carow reports: (1) CATV interests plan 10-hop microwave from Griffin to Gulf, to feed CATVs in Crest, Butler, Americus, Dawson, Arlington, Donaldsonville and other towns along way. (2) CATV exists or is sought in Savannah, Tifton, Macon, West Point, Albany, Cordele, Fitzgerald, Brunswick, Bainbridge, Dublin, Athens "and dozens more." "In conclusion," he says, "CATV is a legitimate business enterprise and a friend to some 'behind the mountain' communities. It aids TV coverage in other areas, too. It has proven to be a money maker in many locations. However, it can be a foe to local AM-FM radio & TV and compete with local programming & commercials without regulation or licensing of any kind. . . . Regulation of CATV must come by legislation on either the federal or state level."

———■———

Rehearing in Court of Appeals, on W. Palm Beach site-move case, is sought by FCC (Vol. 3:4 p4). FCC had granted WEAT-TV & WPTV moves to location 12 miles nearer Miami, over protests of WTVJ Miami, which claimed that stations would serve public better at sites north of W. Palm Beach. Court reversed Commission, ordered evidentiary hearing on WTVJ's claims. Commission argues that it would have serious administrative problems if it must consider hypothetical sites for which no application has been made.

Favoritism to Congressmen in awarding of station licenses would be prohibited in bill (S-708) introduced by Sen. Proxmire (D-Wis.). Measure is identical to one he submitted last session, would forbid FCC to consider membership in Congress as factor in choosing licensee.

Small business share of communications satellite program would be assured under bill introduced by Rep. Multer (D-N.Y.). Under HR-3619, Small Business Administration would participate in drawing up procurement regulations.

Satellite-era U.N. telecasts of General Assembly & Security Council meetings are in planning stage, although Soviet Union doesn't think idea is particularly good. U.N. membership has voted go-ahead to plans of Secretary-General U Thant & information chief Tavares de Sa to build 2-level TV facility under present Secretariat building in N.Y. Telecasts of U.N. sessions would then be fed as regular edited-down, hour-long shows via worldwide satellite relays. Radio coverage of U.N. has been reality from start, with organization's own staffers preparing total of more than 37,000 taped shows in 30 languages for rebroadcast in over 100 countries last year, plus TV-taped *International Zone* series and special U.N. films. Soviet Union has indicated that it feels pamphlets & booklets would be better medium than TV to tell international organization's story.

Winner of Syracuse's Ch. 9 should be Onondaga Bcstg. Inc., one of 9 competitors, according to 212-page initial decision issued by FCC Examiner David Kraushaar. Of Onondaga's 16 stockholders, holder of largest share, 20%, is Martin Sugarman, N.Y. TV film producer. Proposed gen. mgr. is 10% owner Vance Eckersley, former mgr. of WGBI-TV & WDAU-TV Scranton. William Lane, 3%, once managed WLTV Atlanta. Examiner concluded that Onondaga was most likely to meet needs of Syracuse—through "local ownership, integration of ownership with management, and fairly recent experience of a major stockholder in the management of a going TV station with a satisfactory performance record."

Candor didn't help radio KLIZ Brainerd, Minn. Operating on 1380 kc, 1-kw, daytime, it has pending a request for 5-kw, unlimited time. Greater Minn. Bcstg. Corp. seeks 1340 kc, full-time, in Brainerd. KLIZ asked FCC for permission to amend to 1340 kc, go through comparative hearing with Greater Minn.—stating that town can't support 2 stations. Said FCC re KLIZ: "Petitioner candidly states that it seeks [to] prevent the construction of a second standard broadcast station in an area which it believes will only support one." Can't condone this, Commission said—setting KLIZ's 1380 kc application for hearing on "its tactics."

Equivalent of short-term renewal, remaining 17 months of term, has been granted to radio WMIS Natchez, Miss., and FCC charged station with violation of rules, including failure to have full time first class operator on duty and operating by remote control with inoperative meter.

Supplemental appropriations request for fiscal 1963 sent to Congress by President Kennedy last week includes $9.6 million for construction of USIA Far East radio station, $58,000 for Office of Telecommunications Management.

Radio Free Europe has launched $11 million fund-raising campaign under Chmn. Charles H. Kellstadt, ex-Sears Roebuck chmn., drive by all media, including special effort by broadcasting industry.

CCA Electronics Corp., 542 Industrial Dr., Yeadon, Pa., is new manufacturer of broadcast & communications transmitters, formed by Bernard Wise, who had sold his ITA Electronics to Triangle Publications. U.S. distribution will be through reps, international through Telesco International, N.Y.

National Community Antenna Assn. of Canada holds annual convention at Chateau Laurier, Ottawa, May 7-10.

Personals

Sen. Warren G. Magnuson (D-Wash.), chmn. of Commerce Committee, named chmn. of Democratic Senatorial Campaign Committee.

Frederick R. Kappel, chmn. & chief exec. officer of AT&T, builders of Telstar, given National Business Publications' annual Silver Quill Award for "distinguished service to the business community," at dinner in Washington Feb. 7.

Mark F. Cooper, ex-PR dir., General Telephone Co. of the Southwest, San Angelo, Tex., elected pres. of Advertising Federation of America, succeeding C. James Proud, resigned last Sept.

Charles H. Crutchfield promoted to Jefferson Standard Bcstg. pres., succeeding Joseph M. Bryan, who moves up to chmn., a new post . . . Cleatus O. Brazzell, radio WELP Easley pres. & gen. mgr., elected S.C. Bcstrs. Assn. pres., succeeding Frank Hardin, radio WIS Columbia.

Pro Sherman, radio KOLN Lincoln, Neb., W. Thomas Daley, CFPL-TV London, Ont., & John P. Dillon, WBTV Charlotte, elected to Bcstrs. Promotion Assn. board, succeeding Don Curran, radio KGO San Francisco, John Paul Riopel, ex-CFCM-TV Quebec, & Doug Duperrault, radio WFLA Tampa, all resigned; Harold S. Meden, Franznick-Meden, reappointed BPA secy.-treas.

Willis Grant promoted to NBC corporate information coordinator, N. Y. . . . Norman Ginsburg promoted to CBS Radio Spot Sales dir. of sales promotion.

Elizabeth Bain, asst. to dir. of program services, CBS-TV, elected chmn. of Educational Foundation, American Women in Radio & TV, N.Y. . . . Ben Margolis promoted to a TvAR vp.

Phil Williams, ex-John Scott Fones PR Co. exec. vp, appointed Louis de Rochemont Associates planning vp . . . Steve Fox, ex-radio KHOW Denver promotion dir., named KOA-TV-AM-FM promotion-merchandising dir., succeeding Mike Schafbuch, who moves to sales dept.

Paul Adams, WCPO-TV Cincinnati chief engineer, buys radio WBBR E. St. Louis, Ill. from group headed by Larry R. Picus & Robert Walker, for assumption of $305,000 mortgage, Hamilton-Landis broker.

Larry Zeman promoted to KTTV Los Angeles midwestern sales & mktg. mgr., Chicago . . . Bill Pfeiffer, ex-radio WRFD Worthington, O. promotion dir., named to similar post with WLOS-TV-AM-FM, Asheville, N. C. . . . Eric Mart, ex-NBC-TV Sales Planning Div., appointed Petry TV Div. asst. research dir.

Harold E. Reigert, promoted to WFRV Green Bay program dir., succeeding J. W. Vickery, resigned to accept post with U. of Wis. . . . Macey I. Schaffer, ex-WLBW-TV Miami advertising & promotion dir., named acct. exec. with radio WQAM there.

Joseph P. Costantino, KTVU San Francisco-Oakland promotion dir., named gen. chmn. of 1963 Bcstrs. Promotion Assn. convention Nov. 17-20 at Jack Tar Hotel, San Francisco . . . David Hart, ex-WLBZ-TV Bangor promotion mgr. & night dir., appointed WNBQ Chicago promotion mgr.

New officers of Jefferson Standard Bcstg., Charlotte, N.C., elected at annual meeting last week: Wallace T. Jorgenson, vp; Paul B. Marion, J. William Quinn, William H. Melson Jr., asst. vps; D. L. Robbins, asst. secy.-treas.

'The Late Show': For a dozen years, N.Y.-area viewers have watched more than 1,800 feature movies unreel on *The Late Show*, flagship WCBS-TV's late-night movie showcase which celebrates its 12th anniversary Feb. 26. Series has become a classic success in local programming, having successfully battled various NBC late-night live shows, from early Steve Allen series to Johnny Carson's *Tonight*, plus rival movie & live shows on other N.Y.

The Late Show has piled up some staggering statistics during its dozen years:

• Advertising revenue from back-to-back commercials between reels (minute spot, I.D., another minute spot) has been late-night goldmine for WCBS-TV. We asked station for total gross, were told it was deep secret but was "in the multi-millions."

• Nightly audience is estimated at about 900,000 viewers, with cumulative total of 6.3 million every week. More than half watch weekend (Fri.-Sat.-Sun.) movies.

• Enormous appetite of long-run film show can be judged from fact that WCBS-TV maintains backlog large enough to screen at least 150 first-run (on TV) films each year for next 4 years. Features are bought by William Lacey, mgr. of station's film dept.

• Production-budget total of 1,825 features which will have been televised as of Feb. 26 is over $2 billion by conservative estimate.

• In unlikely event all features shown on show so far were unreeled and laid end-to-end, 16-mm footage would total 15,855,000 feet.

• If all viewers who have watched *The Late Show* movies in past dozen years went to see same pictures at Radio City Music Hall, crowd could only be handled by screening films 4 times daily for 472 years.

On occasion of anniversary, WCBS-TV plans to go whole hog on late-night movies, and will begin 24-hour telecasting schedule. Current *Late Show* will be followed by *Late-Late Show—Part One, Two, Three*, etc. for benefit of industrial shifts & insomniacs until usual sign-on time in morning. Base price per minute spot will be $840.

Feature to be shown Feb. 26 is *Salome*, starring Rita Hayworth & Stewart Granger. Originally, WCBS-TV planned to revive movie with which it opened series, *Adventures of Casanova* starring Arturo de Cordoba. Checkup showed film was now in library of rival WOR-TV. Film programmers at WCBS-TV thought it over, decided *Casanova* was something of a clinker and not really worth the effort, will go with Rita Hayworth instead.

———■———

NAB engineering advisory committee, discontinued in 1961, has been reactivated by Pres. Collins. New members: John T. Wilner, WBAL-TV-AM-FM Baltimore, chmn.; Max Bice, KTNT-TV-AM-FM Tacoma; Richard K. Blackburn, Gannett Stations; Glenn G. Boundy, Storer Bcstg.; William S. Duttera, NBC; George Hixenbaugh, WMT-TV & WMT Cedar Rapids; Thomas E. Howard, Jefferson Standard Bcstg.; Leslie S. Learned, MBS; Carl E. Lee, Fetzer Bcstg.; Frank Marx, ABC; James D. Parker, CBS-TV; David L. Steel, AFCCE.

Confirmation of Kenneth Cox as member of FCC may still be week or 2 off. Senate must first organize, after which Commerce Committee will schedule meeting to vote on him, submit nomination for final Senate vote.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

IMPORTS FROM JAPAN—THE 1962 STORY: Japan's exports of consumer electronic products to U.S. were up sharply again in 1962, but further price erosion was apparent.

The tables below were obtained through courtesy of McGraw-Hill's *Electrical Merchandising Week*, in whose issue of today (Feb. 11) they will appear. The first table, compiled by McGraw-Hill's Tokyo Bureau, shows 1962 vs. 1961 Japanese exports to U.S. in selected consumer items. The other tables, compiled by McGraw-Hill from U.S. customs figures, list U.S. imports from Japan, Hong Kong & Okinawa.

Japan-to-U.S. export table shows transistor radios exceeding 10 million units, with multi-transistor sets up nearly 71%, while so-called "toy" radios (less than 3 transistors) dropped sharply to about the 1960 level —indicating maybe they've had their heyday (probably due to drop in price of multi-transistor sets). Only other category to show drop-off from 1961 is tube radio.

TV tally shows surprising figure of 154,467 sets shipped to U.S., although it's believed that only about 130,000 had cleared U.S. customs before year's end (Vol. 3:4 p10). Transistor TV category, new in 1962, totaled approximately 40,000, almost all Sony 8- & 5-in. receivers.

A look at average prices gives startling confirmation of abrasive effects of competition with U.S. manufacturers and between competing foreign set makers. Average billing price of transistor radio exported from Japan to U.S. last year was $9.19, down from $10.60 in 1961 and $13.27 in 1960, despite increase in more costly multi-band & deluxe sets. Toy radios dropped to $2.18 each from $2.58 in 1961 and $2.80 in 1960. Possibly because of increased proportion of FM sets, average cost of tube radio rose to $6.76 last year from 1961's $6.37, but was still below 1960's $7.12.

Transistor TVs in 1962 averaged $85.59 each, while tube TVs came out to $44.60 (many were shipped without picture tube). Taking all TVs together, average price dropped to $54.70 last year from $74.20 in 1961, but increasing number of transistorized sets kept last year's figure above 1960's low of about $51. Average radio-phono price increased to $41.17 from $36.16 in 1961 and $32.10 in 1960.

Here's McGraw-Hill's compilation of Japanese govt. export data:

JAPANESE EXPORTS TO U.S. — 1962 vs. 1961

Item	Units			Dollars		
	1962	1961	% change	1962	1961	% change
Total transistor radios	10,520,756	9,328,842	+ 12.8%	$77,506,263	$60,586,792	+ 27.9%
3 or more transistors	7,784,590	4,554,383	+ 70.9%	71,550,286	48,285,048	+ 48.2%
"toy" radios	2,735,166	4,774,037	— 42.7%	5,955,977	12,301,744	— 51.3%
Tube radios	1,608,574	2,224,229	— 27.7%	10,882,397	14,174,786	— 23.2%
Total TV	154,467	23,179	+564.4%	8,449,668	1,719,840	+391.3%
tube TV	118,498	——	——	5,285,491	——	——
transistor TV	36,969	——	——	3,164,177	——	——
Radio-phono	92,728	74,885	+ 23.8%	3,816,319	2,708,662	+ 40.9%

U.S. Customs Dept. import figures differ from Japanese export statistics for several reasons: (1) Different classification systems (U.S. didn't have TV classification for all of last year, but reports 127,067 sets imported from Japan during 2nd half). (2) Transshipments from U.S. ports to Latin American & other countries are included in Japanese, but not U.S. figures. (3) Import figures don't reflect items in transit or in bonded warehouses. Here are Customs import figures for '62 vs. '61:

U.S. IMPORTS FROM JAPAN — 1962 vs. 1961

	Units			Dollars		
	1962	1961	% change	1962	1961	% change
Transistor radios	9,819,195	9,699,038	+ 1.2%	$64,105,656	$62,247,251	+ 3.0%
Portable radios (tube)	264,824	389,832	—32.1%	1,089,667	1,415,326	—23.3%
Other radios	1,583,576	1,373,429	+15.3%	10,441,883	8,607,117	+21.3%
Radio-phono	81,924	75,764	+ 8.1%	3,641,455	3,264,283	+11.6%
Tape recorders	1,119,727	——	——	14,666,564	——	——

Hong Kong & Okinawa are becoming increasingly important sources for low-cost transistor radios—just how low the following table shows. Average cost of Hong Kong export radio dropped to $5.19 last year from $6.28 in 1961; Okinawa average dipped to $5.15 from $6.01. These exports probably represent radios with 6 transistors or more exclusively; there's no indication of any manufacture of toy sets in either Hong Kong or Okinawa.

U.S. TRANSISTOR RADIOS FROM HONG HONG & OKINAWA — 1962 vs. 1961

	Units			Dollars		
	1962	1961	% change	1962	1961	% change
Hong Kong	624,103	187,415	+223.0%	$3,235,795	$1,174,885	+175.4%
Okinawa	580,070	335,031	+ 73.1%	2,988,305	2,012,285	+ 48.5%

SYLVANIA AIMS HIGHER WITH COLOR: "We're raising our sights on color," said Robert G. Lynch, marketing vp of Sylvania Electronic Tube Div. "Last summer we were predicting sales of 600,000 color tubes in 1963. Now we think there'll be a market for 750-800,000."

There were indications that 50,000 color tubes is Sylvania's goal for this year, after it gets full-scale production going (scheduled in 4th quarter). Sylvania's bullishness for color came out last week at press get-together to introduce Tube Div.'s top management team, as revamped last year—senior vp Merle W. Kremer, picture tube vp-gen. mgr. Walter A. Weiss, receiving tube vp-gen. mgr. Gordon L. Fullerton, and marketing vp Lynch.

Forthright picture of where Sylvania stands now in color tubes was painted by Kremer, Weiss & Lynch: "Good pilot runs now," first production employes being hired this month, quantity production "conservatively" by 4th quarter. As to 50,000-tube goal this year, we got impression it's just that—a goal—and there's plenty opportunity for slippage in the complicated business of making color tubes.

"We'll be right with the others [Rauland & National Video] in color tubes," said Weiss. Sylvania's initial entry will be 21-in. round 70-degree tube similar to RCA type and the tube Sylvania made once before. Weiss explained: "The color program is so important, we want to be sure we're right before we step out with any innovations such as the 90-degree round or rectangular. Present color tube standards are very high. We've looked at other systems, made 23-in. color tubes ourselves, took a new look at the Lawrence tube, worked with the Land [2-color] system and checked the Harries projection system. But so far we believe the 70-degree round shadow-mask is the best from the standpoint of quality, producibilty & public acceptance."

What's next size & shape? "When market & technology demand, we will have 90-degree round," said Lynch, "but this is not to say we won't be in rectangular, too. It may be the logical next step." Lynch predicted total picture tube business would remain fairly even for next 5 years, color taking up slackening b&w market. Replacement business, he said, is declining, probably due to improvement in tube life and low prices of new sets. "Independent rebuilders now have about 60% of this market."

"There's plenty of opportunity for innovation in b&w," said Weiss. "If the industry wants it, we can now go to wider deflection angles than 110 degrees; we can make shorter 125- or 130-degree tubes if needed. Low-drive and high-efficiency tubes are available, and we can make high-reliability tubes with 5,000-hour life."

As to replacement of receiving tubes by transistors in TV sets, Lynch saw no general trend to all-transistor sets within 4 years because of cost factor & development time. He thought, however, that hybrid tube-transistor sets would be showing up within that time as transistor circuits begin phasing into TV. One of big receiving tube problems is increasing rate of imports, which showed 50% gain in 1962 over 1961.

Biggest threat to domestic receiving tube industry now appears to be coming from Netherlands, rather than Japan. Fullerton predicted to us that about 45 million would be imported this year, about half of them from Holland.

On TV picture-tube implosion-shield scene, Weiss told us that Pittsburgh Plate Glass bonded tube is gaining adherents, although Corning twin panel "still is the standard." As to Kimcode, he predicted only about 200,000 tubes would be made this year, as set makers remain reluctant to pioneer in this field.

MORE RADIO PRICE CUTS IN WORKS? Repetition of last year's price cuts in brand-name transistor radios could be in store, as result of recent new levels established by several manufacturers.

GE, which started price cuts last year with 6-transistor set at $16.95—later reduced to $14.95, which became industry list-price floor for year—was first again this time when it introduced its 21-set transistor radio line (Vol. 3:5 p10). Featured were leader 6-transistor set with accessory gift pack at $16.95 and 8-transistor with gift pack at $19.95—both well below prevailing lists for U.S. brand-name sets.

Magnavox almost simultaneously cut its gift-packed 6-transistor to $14.95 from $16.95 and its gift-packed 8 to $19.95 from $22.95. The 2 moves aren't directly comparable, because Magnavox sets actually sell at list prices, while GE radios don't necessarily, and because Magnavox transistor radios are Japanese-made (Nippon Electric), while GE's are U.S.-made.

Nevertheless, it looks like another round of slashes is on the way, this time centered mainly around the popular gift-packed units, and including "de luxe" 8-transistor sets.

TV-RADIO PRODUCTION: EIA statistics for week ended Feb. 1 (5th week of 1963):

	Jan. 26-Feb. 1	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
TV	148,355	132,503	132,423	629,547	622,314
Total radio	337,704	331,188	334,491	1,546,004	1,688,928
auto radio	154,258	151,448	122,407	717,412	650,538

New solid-state device "combining the best properties of transistors and vacuum tubes" was hailed at week's end by RCA as "new fundamental building block" of integrated microelectronic circuits (Vol. 3:5 p7). Called a metal oxide semiconductor transistor, device can be fabricated on silicon in large interconnected arrays, promising "a wholly new kind of integrated circuit," according to RCA Labs vp Dr. James Hiller, which is "less costly, simpler & more reliable than anything yet devised." By varying input voltage the insulated-gate field effect transistor can be operated as switch, amplifier or current regulator in manner similar to pentode tube.

New heaterless tube, which can operate at room temperature and uses tunnel diode principles, is under study at GE receiving tube dept. Involving a "tunnel cathode," GE says such a tube would help improve reliability of space electronics because it may have higher tolerance to ionizing radiation than would semiconductor devices.

Another color tube size reported by Japanese: 16-in. square-corner, 90-degree deflection. Asahi Glass Co. reportedly is in small-scale production of bulk, which is 2-in. shorter than current Japanese 14-in. color tube.

GE Credit Corp. will enter construction equipment financing market. Vp John W. Stanger said new activity should enable company to push 1963 financing volume above $1 billion mark.

More pre-recorded tape cartridges will be available March 15 for Minnesota Mining's 3M-Revere automatic tape recorder (Vol. 2:46 p9). 3M announced last week that Musictapes Inc., Chicago, will provide 12 jazz, popular & classical selections for the automatic cartridges. Musictapes has exclusive tape manufacturing & marketing rights for United Artists label, also markets pre-recorded tape under Elektra, Prestige, Caedmon, Monitor and other labels. Columbia Records previously had made available library of 48 tape cartridges. 3M also announced last week that its $450 cartridge recorder will be marketed in Minneapolis-St. Paul (Vol. 3:2 p10) by the 3 Dayton dept. store outlets and 2 Schmitt Music Co. stores.

Rechargeable nickel-cadmium batteries for use in transistorized equipment are now in pilot production by Sylvania Electron Tube Div. New film-forming technique offers "significant advantages in compactness," according to receiving tube operations vp Gordon L. Fullerton. Initial production comprises long-life 700-ma cells suited for military applications, although Fullerton said batteries for various consumer uses will probably be developed later, using film-forming process.

American Music Guild, Space-Tone Electronics subsidiary, has opened Detroit sales office (Boulevard West Building, 2990 Grand Blvd.) for its home music library plan, which offers Space-Tone consoles & stereo records. Robert Bullitt will head Detroit office.

COLOR 'PENETRATION' ESTIMATED: Cincinnati is Colortown, USA—6.4% of its TVs are color sets—according to survey estimates in Jan. 21 *Television Age*. Magazine estimates there are now 1,220,000 color sets in use, of which 942,840 are in nation's top 50 markets.

Its ranking of top 20 color markets in order of percentage of penetration (color sets as percentage of total) shows variation of 0.9% to 6.4%, with 12 of the 20 higher than national average of 2%. Here are *Television Age's* rankings of color markets, with estimated number of color sets, followed by percentage of color penetration (in parentheses):

Cincinnati 46,000 (6.4%); Philadelphia 84,000 (4.3%); Milwaukee 24,500 (4%); Omaha 11,875 (3.7%); San Francisco 46,500 (3.5%); Chicago 86,200 (3.3%); Los Angeles 88,000 (3.1%); Minneapolis-St. Paul 23,750 (3.1%); N.Y. 163,000 (3%); Columbus 13,800 (3%); Atlanta 16,100 (2.8%); Dayton 12,600 (2.8%); Indianapolis 16,900 (2.6%); Detroit 34,000 (2.2%); Dallas-Ft. Worth 14,600 (2.1%); St. Louis 14,100 (1.9%); Cleveland 18,800 (1.5%); Washington 11,500 (1.5%); Pittsburgh 14,800 (1.3%); Boston 16,000 (0.9%).

■

Philco will boost printed circuits in nationwide series of meetings for some 55,000 TV dealers, technicians & independent servicemen. "We will emphasize our belief that printed circuits are the best," said Consumer Products Div. vp-gen. mgr. Larry Hyde, adding: "We think it is especially important that the men who sell & service the sets share with us our belief that eventually all sets will have circuit boards." Series of 130 service seminars began Feb. 5 in San Antonio, will end April 23 in Huntington, W.Va. Meanwhile, Philco intensified its newspaper attack on printed circuits by repeating in the trade press last week full-page ads on "misleading propaganda about 'hand wiring' in TV sets" which it ran earlier in consumer newspapers (Vol. 3:2 p10).

Emerson is establishing separate & autonomous sales & merchandising dept. for its phono div. & Telectro tape recorder div., headed by Alvin Barshop, who now is sales mgr. for both divisions. "We intend to get a high-powered drive under way which will move our products into new markets and improve our penetration of those markets where we are already firmly entrenched," said Barshop. Under plan, accelerated push for tape recorders can be expected, keyed to new market opened by FM stereo. Special sales staff is now being trained.

Four new TVs have been introduced for RCA's Feb. 19-March 9 "Bargain Bonanza" promotion: Two "tray-top" ensembles—23-in. metal table models with matching hardwood bases & serving tray-tops which lift up to become TV snack servers, at $209.95; one open-list lowboy color console; 17-in. portable with rollabout base at $139.95. Stereo consoles from regular line have been specially priced for event.

Another color show has been scheduled by ABC-TV—one-shot drama *Alcoa Premiere* 10-11 p.m. Feb. 28, "Hornblower," based on C. S. Forester character. It will be carried in color by ABC's 5 o&o's, and other affiliates equipped for color. CBS-TV recently announced it will run several *Lassie* episodes in color beginning Feb. 17.

Trade Personals

Charles R. Denny, NBC operations exec. vp, appointed vp & managing dir. of RCA International Div., succeeding Douglas C. Lynch, resigned.

Joseph S. Wright, Zenith pres., elected a dir. of Continental Illinois National Bank & Trust, Chicago.

Milton J. Shapp, Jerrold Corp. chmn., receives 1963 Philadelphia Fellowship Commission Award for contributions to religious & racial understanding.

John S. Chamberlin appointed GE radio receiver dept. mktg. mgr., succeeding **William B. Clemmens** who joins GE Major Appliance Div. in managerial post.

Bernard H. Lippin, pres. of Lynch Corp. & chairman of its wholly & partly owned subsidiaries, Symphonic Electronic Corp. & Cox Instruments, also elected chairman of Lynch, succeeding **Will Freeman**, who resigned for health reasons.

Herbert Taber, former RCA corporate marketing development administrator, named administration services mgr., RCA Electron Tube Div. . . . **David K. Elwell**, ex-dir. of procurement & facilities services, appointed to new post of Sylvania dir. of new product planning.

Benjamin P. Ransom named supervisor of audio-video requisition engineering, GE Technical Products Operation, Syracuse, a new post.

John S. Reesor, Jensen Mfg. credit mgr., named 1963 chmn. of EIA credit committee.

Joseph S. DeMaio, former ad & sales promotion dir., Corning Glass Electrical Products Div., appointed production mgr. Corning Fiber Box Co.

Charles T. Lee named Philco International Div. mktg. & sales mgr., headquartering in N.Y.

John A. Marchese, now with Sears Roebuck, will join Warwick Mfg. as vp & business planning dir., a new post.

Henry J. Bechtold appointed RCA product news mgr.; **Benjamin I. French Jr.** named trade news editor.

William A. Rheinfelder, ex-Motorola semiconductor products div., named Ameco Product Development Dept. chief engineer, Phoenix.

Lorin C. Weiss appointed western district mgr. (Los Angeles), Sylvania Semiconductor Div., succeeding **Roger A. Swanson**, recently named divisional product mgr. for transistors.

Robert Gieb appointed engineering vp of Motorola's subsidiary Dahlberg Co.

Mark Shepherd Jr., Texas Instruments exec. vp, & **S. T. Harris**, senior vp, elected dirs.

Samuel Grode named Pentron Electronics exec. vp, succeeding **Marshall Peiros**, resigned.

David P. Wilkinson elected corporate planning vp, Electronic Associates.

Kenneth A. Waldron, former Amphenol-Borg Electronics vp, named Erie Resistor mktg. vp, succeeding **Allen K. Shenk**, resigned.

■

Direct energy conversion dept. has been established by RCA Electron Tube Div. Manager is Lloyd R. Day, previously mgr. of new business development.

Toshiba—Prospects & Prospectus: Robust, indeed, is picture of Japan's Tokyo Shibaura Electric Co. drawn by brokers Smith, Barney & Co. and Nomura Securities Co. in recent prospectus issued for $20 million offering of Toshiba debentures.

One of Japan's 3 largest industrial firms in terms of sales, and one of its 2 largest producers of electronic & electrical equipment, Toshiba in its 1962 fiscal year ended last Sept. 30 (see financial table) racked up earnings of $28 million on $734 million sales. Consumer electronic products & home appliances accounted for 42% of sales. Foreign markets accounted for 8% of total sales.

Expansion-minded Toshiba has pegged $63.5 million for improvement & expansion of facilities in 1963. In 3 years to Sept. 30, 1965, it will invest $203 million in capital expenditures, prospectus noted, adding: Of these funds, "it is expected that $23 million will be for additional home appliance manufacturing facilities, $6 million for consumer electronic products facilities, and $15 million for lamp, tube & semiconductor facilities."

In past 5 years, Toshiba's sales of appliances & consumer electronic products have soared 189% to $306 million in 1962 from $106 million in 1958. No other group of Toshiba products has grown as rapidly in the same period, prospectus emphasized. TV rates as Toshiba's No. 1 home product. TV sets accounted for 13% of 1962 net sales; radios, 2%. Last year some 50% of all Toshiba TV sales "were made on an installment basis."

Toshiba's consumer products are distributed in Japan principally through subsidiary Toshiba Shoji Co. Continued prospectus: "Sales are made directly to certain large customers & to approximately 1,000 wholesale dealers who service approximately 30,000 retail dealers, of which over 2,200 are Toshiba Stores. A Toshiba Store receives certain benefits, including an additional discount on sales, aid in financing store improvements & the use of a company owned delivery vehicle. A Toshiba Store must agree that at least 50% of its sales will be sales of Toshiba products."

Some 7,400 retail dealers, including all Toshiba Stores, "provide consumer installation sales plans financed by Toshiba & its sales subsidiary," prospectus pointed out. These plans, introduced in 1956, "generally required a down payment of 25% with the balance payable in 12 monthly installments. In March 1962 the down payment was reduced, in the case of TV sets, to 20% with the balance payable in 17-21 monthly installments. In the case of other consumer goods, the down payment remained at 25% but the balance was made payable in 13-17 monthly installments. In 1961 & 1962 approximately 9% & 10% respectively of Toshiba's net sales were made under consumer installment sales plans."

Toshiba closed in 1962 fiscal year last Sept. 30 with total current assets of $686,606,000—including $56,189,000 cash & $133,731,000 accounts receivable. Total current liabilities were listed at $638,447,000.

Dividend News: Oak Mfg. has resumed payment of regular quarterly dividends on common stock because of "continuing improvement in sales & earnings," reported Pres. E. A. Carter. Initial payout is 7½¢ a share, payable Mar. 15 to holders of record Mar. 1. Oak paid only one dividend of 10¢ a share in 1962.

Distributor Notes: Westinghouse appoints **Wally Bressert** Los Angeles district mgr. for radio-phono lines, succeeding Russ Keslinke, who becomes Los Angeles district mgr. for Westinghouse Appliance Sales; **Maurice Guiheen** appointed Philadelphia district mgr. for radios & phonos, succeeding Kimball Reyher, resigned • **Sylvania** appoints **Hill-Soberg Co.**, 500 N. Conception St., Mobile, Ala. (L. W. Hill, pres.; A. M. Soberg, secy.-treas.) distributor for 10 Alabama & 7 Mississippi counties • **Admiral** names **T & W Distributors Inc.**, 1909 Hi-Line Drive, Dallas, Texas, distributor for 75 counties in North Texas. Recently formed T&W is headed by Chmn. Gordon G. Tucker; Pres. Robert L. Wagner, formerly Dallas district mgr. for Westinghouse major appliance sales; Don E. McMillen, former Westinghouse regional financial manager, secy.-treas.; Elmo L. Bell, formerly Westinghouse major appliance sales gen. sales mgr. for Dallas district, sales vp.

Mergers & acquisitions: Loral Electronics plans to acquire for stock **A & M Instrument Inc.**, Long Island City, N.Y. maker of electrical measuring instruments. Subject to approval of latter's stockholders, Loral will exchange one common share for each 2.6 shares of A & M • **Maremont** stockholders have authorized doubling number of common shares to 4 million to facilitate acquisition of additional shares of **Gabriel Co.** Maremont now owns 373,518 or 50.8% of Gabriel's common • **Dynamics Corp. of America** plans to acquire, for some $8 million in stock, International Electronic Research Corp., Burbank, Cal. maker of heat-dissipating devices for tubes & transistors, precision electronic measuring instruments, other products. Merger is subject to approval of International's stockholders. • **Avnet Electronics** plans to acquire for more than $4 million cash **Fairmount Motor Products** & 2 affiliated enterprises. Philadelphia-based Fairmount distributes automotive replacement parts throughout U.S. & Canada. Purchase is expected to be completed by end of March.

Litton Industries estimates that earnings in its fiscal-1963 first half, ended Jan. 31, rose to about $10.8 million from $7.4 million a year earlier. Sales soared to more than $260 million from $168.5 million. "We expect to continue growing," noted Pres. Roy L. Ash, adding: "Sales already are at an annual rate of $520 million and, of course, we expect a better year" than in fiscal 1962 when company earned $16.3 million on $393.8 million sales. Ash said Litton Industries would sell 25% of fiscal-1963's production overseas, estimated that 15% of production would be made abroad.

Ling-Temco-Vought filed registration statement (SEC File 2-21062) for $23,264,000 of 4¾% subordinated convertible debentures, due Sept. 1976, $33,994,000 of 5½% subordinated debentures due Oct. 1971 & outstanding 5¼% convertible debentures originally issued by Temco Aircraft & assumed by Ling-Temco. Firm will issue $40 of new convertible debentures & $60 of non-convertibles for each $100 of the old 5¼% bonds through underwriters headed by Lehman Bros. Company has 2,783,542 common shares outstanding, of which management officials owns 4.2%.

Sonic Electronics, N.Y. maker of phonographs & hi-fi equipment, was granted 2-week extension to Feb. 19 to file Chapter 11 plan (Vol. 2:48 p11).

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Electronic Communications	1962—qtr. to Dec. 31	$ 7,387,415	——	$ 121,098	$0.15[3]	755,809
	1961—qtr. to Dec. 31	7,052,000	——	146,000	.20[3]	717,758
Fairchild Camera & Instrument	1962—year to Dec. 31	101,550,000[6]	——	5,990,000[7,9]	2.36[3]	2,535,083
	1961—year to Dec. 31	92,254,000	——	5,252,000[3]	2.07[3]	2,498,272
	1962—qtr. to Dec. 31	27,922,000	——	1,754,000[4]	.69[3]	2,535,083
	1961—qtr. to Dec. 31	24,993,000	——	1,500,000[5]	.59[3]	2,498,272
Filmways	1962—qtr. to Nov. 30	2,990,000	$ 78,480	44,880	—	568,554
	1961—qtr. to Nov. 30	2,547,634	87	87	—	568,554
General Tire & Rubber Story below	1962—year to Nov. 30	959,769,316[6]	49,759,802	26,744,802	1.55	16,604,760
	1961—year to Nov. 30	809,020,262	51,998,341	27,343,341	1.62	16,251,861
Raytheon	1962—year to Dec. 31	580,721,000[6]	19,248,000	10,078,000[7]	2.44[7]	4,017,488
	1961—year to Dec. 31	562,901,000	13,067,000	6,877,000	1.69	3,891,672
	1962—qtr. to Dec. 31	139,837,000	——	2,259,000	.55	4,017,488
	1961—qtr. to Dec. 31	155,759,000	——	2,030,000	.50	3,891,672
Servel	1962—year to Oct. 31	22,920,208	2,680,966	2,636,690	1.29[3]	1,928,345
	1961—year to Oct. 31	20,651,054	2,338,501	2,356,142[8]	1.13[3]	1,925,345
Sparton Corp.	1962—6 mo. to Dec. 31	16,423,323	——	471,899	—	904,424
	1961—6 mo. to Dec. 31	11,174,932	——	(7,211)	—	904,424
Toshiba Story on p.11	1962—year to Sept. 30	748,673,000	53,498,000	28,131,000	—	——
	1961—year to Sept. 30	586,675,000	55,536,000	27,633,000	—	——
Transcontinent TV	1962—year to Dec. 31	15,644,254	——	1,620,583[9]	.92[9]	1,765,012
	1961—year to Dec. 31	15,464,000	——	1,331,179	.75	1,770,772
Walt Disney Productions	1962—qtr. to Dec. 29	15,300,000	2,700,473	1,304,473	.76[10]	1,725,049[10]
	1961—qtr. to Dec. 29	15,634,302	3,568,213	1,669,213	.97[10]	1,725,049[10]
Warner Bros. Pictures	1962—qtr. to Dec. 1	22,174,000	——	2,010,000	.41	4,837,052
	1961—qtr. to Dec. 1	20,613,000	——	1,939,000	.40[11]	4,830,052[11]

Notes: [1] Includes special tax benefit of $1.7 million resulting from losses of Allan B. Du Mont Labs prior to merger. [2] After preferred dividends. [3] Includes special tax benefit of $1.4 million. [4] Includes $727,000 special tax benefit. [5] Includes $529,000 special tax benefit. [6] Record. [7] Before special charge of $325,000 (13¢ a share) for losses of foreign subsidies. [8] After $17,551 tax credit. [9] After non-recurring charge of $218,000 (12¢). [10] Adjusted to reflect Jan.-1963 3% stock dividend. [11] Adjusted to reflect Feb.-1962 4-for-1 stock split.

Muntz TV Ends Chapter 10: Muntz TV officers lit a fire last week in Chicago chambers of U.S. District Court Judge Michael L. Igoe. Up in smoke went company's Chapter 10 reorganization plan. On Feb. 5, Muntz TV completed plan by paying out $295,581 to liquidate $5 million indebtedness dating to 1954.

"Creditors have received 100 cents on every dollar of indebtedness," reported Chmn. Floyd G. Dana. Muntz TV closed its 1962 fiscal year Aug. 31 with record sales (Vol. 2:44 p12). It opened its 1963 fiscal with highest first-quarter sales in 8 years (Vol. 2:53 p11) and is projecting total fiscal-1963 sales of $15 million—up from $11.4 million a year earlier.

■

RKO General posted record billings & earnings in 1962. No figures were released, but General Tire & Rubber Pres. M. G. O'Neil said billings of broadcasting subsidiary rose 15% above 1961. Over-all, tire company's profits declined to $26.7 million from $27.3 million despite 18.6% sales rise to $959.8 million from $809 million in 1961 (see financial table).

Lynch Corp. directors last week gave preliminary approval for purchase of Cox Instruments Corp. (formerly Peninsula Metal Products Corp.), which already is 54.7% owned by Lynch. Cox minority stockholders would receive 1.05 shares of Lynch common stock for each share of Cox. Lynch is parent company of Symphonic Electronic.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
CTS Corp.	Q	$0.12½	Apr. 19	Mar. 29
Disney Productions	Q	.10	Apr. 1	Mar. 15
Gen'l Tire & Rubber	Q	.10	Feb. 28	Feb. 18
Magnavox	Q	.17½	Mar. 15	Feb. 25
P. R. Mallory	Q	.35	Mar. 11	Feb. 13
Oak Mfg.	Q	.07½	Mar. 15	Mar. 1
Screen Gems	Q	.15	Mar. 21	Feb. 25
United Artists	Q	.40	Mar. 29	Mar. 15

Philco's 1962 sales were in the area of $400 million, compared with $421 million in 1961. Estimate stems from comment of Ford Chmn. Henry Ford 2nd that Ford's 1962 volume rose 15% above 1961 level if Philco sales are excluded. Ford's consolidated 1962 sales rose 21% from 1961 to record $8.089 billion. Earnings jumped 17% to record $480.7 million.

Emerson Radio Pres. Benjamin Abrams reported to stockholders that 1962 TV sales increased by approximately 20% over 1961, while profits on these sales rose by 30%; profits on radios & phonos were "substantially higher," while sales of Emerson & Du Mont color sets "practically doubled in 1962" as did tape recorder sales.

Reports & comments: AB-PT & RCA, comments, A. M. Kidder & Co., One Wall St., N.Y. 5 • Cenco Instruments & RCA, discussions, Shields & Co., 44 Wall St.

NAB LIBRARY

WEEKLY **Television Digest**

FEBRUARY 18, 1963

FEB 18 1963

NEW SERIES VOL. 3, No. 7

Albert Warren, Editor & Publisher, 911 - 13th St., N.W., Washington 5, D.C., Sterling 3-1755
David Lachenbruch, Managing Editor, 580 Fifth Ave., New York 36, N.Y., Circle 6-2215
Harold Rusten, Associate Editor, 111 Beverly Rd., Overbrook Hills, Philadelphia 51, Pa., Midway 2-6411
Michael H. Blake Jr., Assistant Editor, Washington. **Charles Sinclair, Contributing Editor,** New York

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

MINOW LEAVING FCC—SOONER OR LATER—but timing & destination still unknown. Possibilities include top jobs with Space Communications Corp., Encyclopedia Brittanica (p. 1).

VHF DROP-INS RUN INTO TROUBLE, FCC splitting 4-3 in first discussions. WTEN & WAST Albany granted site shifts as Commission leans toward 'move-ins' (p. 2).

FCC REGULATION OF CATV FORESHADOWED, NCTA board voting to seek federal regulation. Quiet FCC-NCTA staff discussions expected to bring agreement on most points (p. 2).

CHICAGO FILM MAVERICKS at NAB meeting—17 film companies which will stage own syndication exhibit—put final touches on 'dignified' showcase, despite series of NAB peace feelers regarding exhibit space (p. 3).

CELLER'S 'HONEST LABELING' BILL would require FCC to hold 'public interest' hearings before granting or renewing TV licenses, require stations announce programs as fictitious (p. 4).

FCC'S UHF MOBILE DATA provides few surprises. Skrivseth notes that something seems to compensate for leaves' attenuation of uhf, points out need for care in home installation (p. 5).

SYNCOM SATELLITE GOES ASTRAY: Radio contact lost shortly after new high-altitude communications satellite goes into orbit. Telstar-Relay Senate hearings set (p. 6).

Consumer Electronics

OFFICIAL SALES FIGURES for 1962 confirm all-time record in radio & phono unit sales, best TV sales since 1956. Good TV business continued in Jan., with sales 5% better than 1962, but radio showed slippage. Month-by-month statistical history of '62 (p. 7).

NEW BONDED TELEGLAS, riding high on 16-in. & color tubes, heads for big year; all tube manufacturers but one now equipped to make PPG-type bonded tubes. New higher-contrast version announced (p. 9).

WESTINGHOUSE PLANS RETAIL STORE: will open TV-appliance outlet in Columbus, O. in April to serve as sales lab for studying consumer buying habits; opens Toledo, O. as its 3rd sales & display city (p. 10).

CBS NETS RECORD YEAR: Closing 1962 with finest quarter in its history, CBS earned $29.1 million on $509.3 million sales—up sharply from 1961's $22 million on $473.8 million sales (p. 12).

MINOW LEAVING FCC—SOONER OR LATER: FCC Chmn. Newton Minow is expected to leave Commission some time this year, probably for post in private industry. There was report published in a trade magazine last week that he had informed President Kennedy of intention to leave, that he'd go in May, that he'd become an official of Encyclopedia Brittanica in home town of Chicago, that he had recommended Comr. E. William Henry to succeed him as chairman.

Minow wouldn't comment on the report—except to say that the magazine "frequently speculates about my future, and often engages in wishful thinking."

Minow hasn't told even his closest associates of specific plans. For example, Comr. Henry tells us that if Minow had recommended him for chairmanship "it's news to me."

Piecing together all we can find—none of which Minow will confirm or deny—here are what we believe are the facts: (1) Minow is planning to leave, probably this year, but date of his leaving isn't primarily his own choice. (2) Several attractive outside positions are available to him now. Others may be later. These include presidency of new Space Communications Corp., the Encyclopedia spot, others. We doubt the Encyclopedia job is it, think space position more likely—but not at all certain. (3) He has not recommended to the President that Comr. Henry be his successor—but this doesn't mean he will or won't.

Few ever expected the dynamic young (37) Minow to remain until term expires in 1968. First, because of his flair for public life, it's natural to speculate that he may seek elective office in native Illinois. Second, as an able attorney & administrator, now known nationally, he can earn far more than the $20,500 he gets as FCC chairman.

VHF DROP-INS RUN INTO TROUBLE: Addition of new vhf channel to 8 cities—via short-spaced drop-ins (Vol. 3:5 p5)—isn't the shoo-in it was once thought to be.

FCC split approximately 4-3 on subject last week, will take it up again next week. Minow seeks to avoid tight 4-3 final vote on subject as important as this. It's understood that Comrs. Ford, Hyde & Craven argued for drop-ins, while Minow, Bartley, Lee & Henry were against. At one point of discussion, Minow offered compromise concept of allowing drop-ins temporarily—requiring operators to shift to uhf at some future date. Bartley is said to oppose drop-ins but favor "move-ins"—shifting stations to major cities, from smaller nearby cities, even if spacing would be substandard. Proposed Enid-to-Oklahoma City shift is one of these. (Pending drop-ins are for Knoxville, Johnstown-Altoona, Birmingham, Dayton, Jacksonville, Charlotte, Baton Rouge.)

Original reason behind drop-ins was to give each city a 3rd vhf, increasing service to cities, giving ABC-TV new outlets which would make it more competitive with CBS-TV & NBC-TV and thus able to improve its service nationally. However, drop-ins were to be very limited in number, regarded only as a stop-gap action until uhf became competitive nationwide through growth of uhf sets following passage of all-channel-set law. Opponents of drop-ins assert that addition of vhfs to the 8 cities would shut uhf out of them for many years—eliminating hundreds of thousands of homes as uhf prospects.

As if to punctuate the anti-drop-in position, Taft Bcstg. informed FCC it would file for uhf in Dayton if no vhf is added. Taft operates vhfs in Cincinnati & Columbus. Also seeking uhf in Dayton, William Putnam, of WWLP Springfield, Mass., asked Commission to put Ch. 38 there. New Assn. for Competitive TV (ACT) urged FCC to forget drop-ins, said they'd be inconsistent with Congressional mandate behind all-channel-set law.

There's considerable sentiment for "move-ins" at Commission. Last week, it voted to permit WTEN & WAST to move closer to Albany area, with 21-mile & 28-mile co-channel shortages, respectively. Commission put many conditions on grants—telling WTEN & WAST they must protect co-channel stations, use precision-offset, and must make certain they build vhf translators to supply service to any areas which would lose service through moves.

FCC REGULATION OF CATV FORESHADOWED: Vital new era for community antenna industry is about to begin. Last week, National Community TV Assn. board voted unanimously & publicly to seek federal regulation by FCC, as forecast in these pages (Vol. 3:2 p2). Hitherto violently opposed to new legislation giving Commission such power, NCTA has been quietly discussing proposed legislation with FCC staff, finally concluded that meeting of minds is possible. If FCC & NCTA come to Congress with joint proposal, Congress is expected to buy it promptly.

NCTA said nothing about what kind of legislation it will seek. Reason is that discussions with FCC are still going on. NCTA concluded it must have federal regulation, because local & state regulation is becoming constrictive & chaotic. CATV operators want FCC to pre-empt the field, giving industry uniform and (hopefully) mild regulation.

Move toward FCC-CATV agreement began last month. FCC Chmn. Minow, seeking to end controversy, asked Frank (Scoop) Russell to explore possibilities. Russell is retired NBC Washington vp, now a CATV owner and consultant to Jerrold Electronics, major CATV equipment maker. Russell says he undertook exploration—at FCC, industry & Congress—as an individual, not as representative of Jerrold, NCTA or anyone else.

In staff discussions, NCTA has been represented by its counsel Robert L'Heureux and special counsel E. Stratford Smith. For FCC, ball has been carried by Minow's assistants James Sheridan & John Cushman and deputy gen. counsel Henry Geller.

There are still important points separating negotiators. Most significant is question of "duplication." FCC has shown that it wants to prohibit CATV, using out-of-town signals, from duplicating programs carried

by local station 30 days before & after local station telecasts them. NCTA has been arguing for prohibition only against simultaneous duplication. The other major FCC proposals don't appear to offer serious problems: (1) CATV must carry local station's signal on cable, though CATV may boggle at carrying more than one. (2) Such signal must be carried with good quality. (3) FCC should have jurisdiction over a CATV even if system isn't in same city with station—perhaps embracing all systems within Grade A coverage of station.

If new law is enacted, CATV industry will have firm set of ground rules to live with. Most importantly, it would be protected from such things as the Twin Falls, Ida. court decision. This ruled that CATVs are foreclosed indefinitely from carrying programs for which stations have right of first run. It would protect CATV from situation it faces in Tifton, Ga., where city council may prohibit even the start of a system (Vol. 3:4 p3). Of course, CATVs fortunate enough to have no local problems now might have to give up something.

There's always possibility that FCC & CATV may not get together on some points. If this happens, probability is that Congress will accept areas of FCC-industry agreement then go ahead and decide for itself the controversial matters.

Neither FCC nor NCTA talks about rate regulation—for simple reason rates have presented no problems to date. If govt.—local, state or national—seeks to regulate rates, you can expect long court battle, because attorneys believe there's substantial Constitutional uncertainty about jurisdiction.

Legislation could have far-reaching results. Because uniformity of regulation would remove many uncertainties, it's to be expected that more & more conservative investors would be attracted to field. In a way, new law might be compared with Radio Act of 1927, which brought stability to chaotic field of broadcasting. Says veteran Russell: "This will make first class citizens of the CATV industry—and the FCC will treat them as such."

NCTA now will go to grass roots, hold series of regional meetings to acquaint members with plans.

The Chicago Mavericks: With Independent TV Corp. added as its latest member, at least 17 film syndicators will showcase their feature packages & syndication offerings at maverick "TV Film Exhibit—1963" during NAB's March 30-April 3 Chicago convention. Location will be at Pick-Congress Hotel.

Syndicators decided to stage own film exhibit late last summer, claiming NAB assoc. member status was that of "also-ran" and exhibit space was undesirable. NAB, for its part, has believed that film hoopla at conventions lacked dignity, although it has recently put forward peace feelers in form of offers of exhibit space and strong hint that NAB might add panel discussion on film buying to convention agenda.

Each of TFE-1963 exhibitors will have traditional hospitality suite, although film men have long since agreed to keep down razzle-dazzle during convention. Now that fall lineups on networks are virtually set and several long-run film series are due to exit, it's expected that sales push will be straight-faced on such due-for-syndication properties as *Dobie Gillis, 77 Sunset Strip, Untouchables & The Jetsons*, and for new post-1948 packages from MGM-TV, Seven Arts, others.

Biggest holdout among non-TFE-1963 syndicators is MCA-TV, which does more network film business than any other firm and is planning to exhibit at NAB space. Also still in NAB camp are 3 network-owned syndication offshoots, which will use part of space allocation of parent networks. On other side of fence, in addition to ITC, participants in TFE so far include Allied Artists, Desilu, Four Star, Hollywood TV Service, Jayark, King Features, MGM-TV, Official Films, Screen Gem, Seven Arts, Trans-Lux, 20th Century-Fox, UA, Video House, Walter Reade-Sterling & Warner Bros.

TFE has had a couple of drop-outs since original group was formed in N.Y. last Sept. (Vol. 2:39 p4). Trans-Lux offspring TV Affiliates Corp. (TAC), which distributes station-produced film & tape shows and which felt its allegiance lay more with NAB members than with film companies, withdrew although Trans-Lux itself is still in. Flamingo Films has also withdrawn, more for economic than political reasons. TFE space, however, is 95%-booked at moment.

Broadcasters attending TFE will find plenty of showmanship going, but on a highly moral plane. There'll be no bikini-clad models handing out sales literature under TFE ground rules. Said a TFE official in N.Y.: "Syndication is an adult member of the TV community, and we don't feel we have to conduct business in a Playboy Club atmosphere."

FTC seeks injunction against Sterling Drug & agencies Dancer-Fitzgerald-Sample & Thompson-Koch to halt ad campaign exploiting results of FTC-financed comparative study on analgesics (Vol. 3:6 p4 et seq.). In complaint filed in N.Y. District Court, Commission charged "continued dissemination of the advertising will cause irreparable injury to the general public, including competitors of Sterling." Sterling spokesman said firm's defense will be that it accurately reported article which described study.

Celler's 'Honest Labeling' Bill: FCC would hold hearings on "public interest" operations before granting TV licenses or renewals under measure (HR-3283) introduced by Rep. Celler (D-N.Y.). Bill would amend Communications Act to give FCC authority to consider whether station had engaged in any deceptive practices—rigged quizzes, payola, etc.—before renewing license. (FCC now has such authority.) Networks & stations also would be required to announce "fictitious" programs as such. Persons claiming injury from "fictitious documentaries" would be permitted to sue.

Celler said many crime series give impression that they "are right out of the files of police agencies" and other govt. organizations. "If the viewers knew that the programs were entirely fictional," he stated, "at least a substantial proportion of them might choose to watch TV fare whose quality was more dependable." He said this might force producers to upgrade their shows.

No censorship is intended, Celler claimed, but he said that FCC already has authority to authorize stations to reject or refuse programs which is contrary to public interest, and that new law would merely spell out Commission's authority more clearly.

Bill to prohibit pay-TV (HR-3281) also was introduced by Celler.

■

"Race, space, reds & feds" on TV information programs are beginning to bore public, according to *TV Guide* Editor Merrill Panitt. He told luncheon of International Radio & TV Society in N.Y. that medium has a "crisis fixation," tends to base about 75% of information shows on space, cold war, politics & integration—avoiding controversial subjects that might offend groups. Network public affairs depts. must overcome taboos & self-censorship restricting them, Panitt contended, adding "perhaps then they will decide that television now is strong enough to tackle truly controversial subjects."

Investigation by FCC of NBC-TV's Feb. 8 *Today* show was demanded by Rep. Whitten (D-Miss.), who said program was in poor taste, cast reflection on character of "the Governors of 2 States and a former Member of this body, now deceased." It's understood that "Premise" group of satirists depicted Governors Barnett (Miss.) & Faubus (Ark.) and Rep. Rankin (Miss.) going to Heaven and finding that God is a Negro and that they had a skit portraying children giving a "jazzed up" rendition of the Lord's Prayer.

Advertising's image can be improved by improving its substance, NAB Pres. LeRoy Collins told Houston Ad Forum last week. Despite "great improvements" in past few years, he said, ad industry must meet challenge of "enlarging and refining the quality and responsibility of advertising." Collins told group first step toward upgrading advertising's quality & ethics is to not make mistake of underrating public, which can discern between good & bad ads.

New Philadelphia rep **office** will be opened March 1 by Katz Agency to handle national TV spot business originating in Philadelphia agencies. Office will be headed by Edward Papazian, who has resigned as media dir. of Gray & Rogers' TV-radio dept. Location will be 1102 Land Title Building.

Affiliates-vs.-network rivalry is shaping up in ABC-TV ranks concerning ABC's *Sunday Night Movie* series. Reason: station with sizable film budget can buy features for local exposure that are every bit as good as movie product bought by networks. Thus, station can think in terms of 70¢ on spot dollar (after agency & rep commissions) rather than station-compensation share of network dollar in feature-film show. Example: On Feb. 17, ABC affiliate KATC Lafayette, La. pre-empted ABC's Sunday movie show to screen "Mr. Roberts," one of post-1950 films distributed by Seven Arts, as local special. Pre-emption of network shows other than features at local level to televise new movies is not unusual in such cities as Miami, Nashville, Hartford, Sacramento & Columbus, O. Network feature film shows, however, continue to attract national-level sponsors. NBC's new *Monday Night At The Movies* now has 23 participating sponsors, with Ford, Liggett & Myers, Lehn & Fink, Beech-Nut & Clairol buying into series in past fortnight.

Instant German version of recent "CBS Reports" interview with Chancellor Konrad Adenauer set new marks for speedy overseas distribution of U.S. network film show; it was televised in Germany, with no language barriers, only 2 days after U.S. telecast. How it was done: Dr. Adenauer answered questions, in German, asked by CBS newsman Daniel Schorr. In U.S. version, running translation of Adenauer's statements was done with English "voice-over." In German version, Schorr's questions were handled with German "voice-over" with Adenauer speaking his native tongue. German telecast, incidentally, was done with Eurovision feed from Amsterdam.

Success secret for women in communications industry was thumbnailed in N.Y. this month by a gal who ought to know: Sylvia Dowling, a vp of Benton & Bowles. Addressing N.Y. Chapter of American Women in Radio & TV, she cautioned AWRT-ites that "if you lose with grace & humor, you win in the end," and that way to get along with clients in business was to work "with each other, not at each other." Putting fresh touch on technique that has worked for Cleopatra, Madame Pompadour, et al., she urged "if you have to disagree, disagree without being disagreeable."

"Third-stage" of non-fiction TV has begun with programs such as manned space-shots, Telstar launching & election coverage, according to CBS-TV vp John Karol. He told Terre Haute Advertising Club that comprehensive depth coverage of public affairs has replaced first 2 stages in medium's growth, which were straight news reports & acceptance of news programs as permanent part of prime-time schedules. Karol said emphasis now is shifting to search for new forms of non-fiction programs, such as White House tour.

Political pollster Louis Harris has signed 6-year contract with CBS News. He'll work exclusively with CBS in political research. Harris was consultant to networks news election unit in 1962, devised Vote Profile Analysis techniques for reporting returns.

Suspension of **equal time** for 1964 Presidential & Vice Presidential elections was proposed in bill (H.J. Res. 247) by Rep. Harris (D-Ark.). Measure would permit programs such as Kennedy-Nixon debates in 1960 election. Harris said bill would receive quick action by his Commerce Committee.

FCC's UHF MOBILE DATA: New 101-page study of mobile-unit measurements of FCC's experimental uhf project in N.Y. has been released by Commission. Very little conclusionary material is offered by author Daniel B. Hutton. Report is comprised almost entirely of tables—and industry engineers hadn't had time to study them. Hutton had only this to offer in evaluating results:

"In general, it was found that TV signal strength drops faster with distance on uhf than it does on vhf, but where the signals are weak uhf is less subject to man-made noise than vhf. High vhf signal variations resemble uhf variations more than they do low vhf variations. Overall indications from the radial measurements are that the difference between winter & summer propagation of TV signals on either vhf or uhf on the average amounts to less than plus-or-minus one db."

Project director Arnold Skrivseth told us most results of measurements weren't surprising. However, he said, he was interested to find that uhf variations between summer & winter were no greater than vhf—that although leaves gives more trouble to uhf, "apparently there's another factor which tends to compensate for leaves' attenuation, on the average."

Skrivseth also pointed out that measurements show much greater variations in uhf signal strength within a small area—pointing up need for careful probing for "hot" spot when installing antenna in home. Copies of report are available from Office of Chief Engineer.

—■—

Assn. on Broadcasting Standards is new organization of AM operators, mostly of regional stations, formed with Washington hq, to protect coverage of members. FCC pre-sunrise and clear-channel proposals are among principal concerns. Co-founders are E. K. Hartenbower, KCMO Kansas City, and George Comte, WTMJ Milwaukee, elected pres. & vp, respectively. Treas. is Frederick Houwink, WMAL Washington; gen. counsel is Andrew Haley. A full-time paid secy. will be hired; temporary offices are at 4461 Connecticut Ave. NW. Jay Wright, KGW Portland, is chmn. of engineering committee, and special consultant is ex-FCC Comr. John Cross.

"Segregated" programming was attack leveled at new WOOK-TV (Ch. 14) Washington by group of prominent Negro leaders who objected to station's plans to appeal to large Negro audience in area. They went to FCC, conferred with Chmn. Minow & Comr. Lee, said that all stations should give Negroes employment & recognition in proportion to their segment of community. They were told they could file complaint, ask for rule-making, etc. WOOK-TV owner Richard Eaton asserted that staff is "integrated," said that radio WOOK was first in U.S. to hire Negro dj.

Far-reaching changes in Communications Act, recommended by members of an FCBA committee (Vol. 3:4 p7), will be published in FCBA's *Journal*, discussed at meeting of members after they've digested proposals.

MST holds annual meeting at Conrad Hilton March 31, 9:30 a.m., during NAB convention in Chicago; board meets March 30.

Russian expulsion of NBC from Moscow was termed obvious attempt at "indirect censorship" by U.S. State Dept. U.S.S.R. ordered network to close bureau in retaliation for recent programs, "The Death of Stalin" & "The Rise of Mr. Khrushchev," which Soviet govt. called "malicious anti-Soviet broadcasts." NBC Pres. Robert Kintner & CBS News Pres. Richard Salant protested move in wires to Moscow. Rep. Bob Wilson (R-Cal.) urged President Kennedy to use his office "to combat this obvious attempt to 'manage' the news." In similar incident in 1958, CBS was ordered out of country after televising play, "The Plot to Kill Stalin." Network was allowed to return in Nov. 1959. An order for expulsion of NBC newsman Welles Hangen from Pakistan last week was rescinded after Hangen apologized to Pakistani External Affairs Minister Z. A. Bhutto. Hangen had complained to Bhutto publicly that an interview film had been deliberately ruined because it presented unfavorable views of Pakistani policy.

TV-radio emergency alerting system will be studied by National Industry Advisory Committee at request of FCC & Defense Dept. emergency communications committee. Under proposed system, essential messages from North American Air Defense Command will be sent to stations via AP & UPI wires; stations then will send special signal which turns on individual TV & radio receivers. NIAC working group headed by NAB vp John F. Meagher will study development of a standard signal. Transmitter & receiver manufacturers interested in project should contact Meagher or John H. DeWitt, radio WSM Nashville.

TV-radio are draining emotions of Americans, leaving them incapable of the "strong loves and hates" necessary to preserve country, according to Most Rev. Fulton J. Sheen. He told communion breakfast of the Catholic Apostolate of Mass Media in Washington that citizens are sinking into "social apathy," are no longer moved by memories of nation's past. He suggested "national program" to remind Americans of their history & heritage, called on TV & radio to take on responsibility of being "educator of the world."

NAB State Bcstrs.' Assn. Presidents 8th annual conference Feb. 26-27 at Shoreham Hotel, Washington will hear opening day address by Senate Communications Subcommittee member Hartke (D-Ind.). American Society of Assn. Executives Exec. vp Glenn B. Sanberg & NAB Code Authority Radio Mgr. Charles M. Stone will speak at Feb. 27 session.

Senate Commerce Committee will have 12 Democrats & 5 Republicans this session, compared with last Congress's 11-6 ratio. New Democrats added last week were Cannon (Nev.) & Hart (Mich.); Smathers (D-Fla.) moved to Foreign Relations Committee. Republican assignments haven't been completed.

Radio WHAS Louisville, 50-kw outlet which was CBS affiliate for 28 years, independent recently, joins ABC. WHAS-TV remains with CBS-TV.

Shift of Ch. 16 from Pittsburg, Cal. to ETV use in Cotati, Cal. was finalized by FCC at request of Sonoma State College Foundation, Cotati.

CP for Ch. 3, Sterling, Colo. has been granted to Frontier Bcstg. Grant is subject to final action on renewal of license for Frontier's KFBC-TV Cheyenne.

CP for new ETV on Ch. 12, to U. of Me. at Orono, was granted by FCC.

Personals

David Schoenbrun promoted to CBS News chief European correspondent, a new post, succeeded as Washington news mgr. by Bob Allison; Bill Small succeeds Allison as Washington news dir. . . .

Ralph O. Briscoe promoted to CBS controller . . . Robert S. Smith promoted to WOR-TV & WOR vp & station mgr. . . . Ray M. Stanfield promoted to Peters, Griffin, Woodward vp in charge of radio.

Dan Markham promoted to KTVR Denver gen. mgr. . . . Edward E. Benham, ex-Crowell-Collier Bcstg. engineering mgr., rejoins KTTV Los Angeles as chief engineer . . . Bob Sprouse promoted to WBNS-TV Columbus, O. national sales mgr.

Henry A. Gillespie promoted to CBS Films midwestern div. mgr., Carter Ringlep to southwestern div mgr., both new posts . . . Herbert R. Banquer promoted to UA-TV & UA Assoc. foreign operations vp, succeeding Manny Reiner, who assumes similar post with Four Star TV.

Sidney Kaufman promoted to CBS-TV network operations mgr., Washington.

Byron E. Harrison, ex-asst. chief, FCC Domestic Radio Facilities Div., Common Carrier Bureau, becomes an associates of Washington TV-radio attorney John H. Midlen.

Ron Maines, ex-WBAL-TV Baltimore acct. exec., appointed WTAP-TV & WTAP Parkersburg, W. Va. gen. mgr. . . . Jack Dunn promoted to WDAY-TV & WDAY Fargo gen. mgr., succeeding Thomas Barnes, who remains exec. vp. . . . George Diab promoted to WTRF-TV Wheeling asst. gen. mgr.

David J. Kelly promoted to KDKA-TV Pittsburgh news dir. . . . Alan Barrows, ex-J. Walter Thompson, named WFAA-TV Dallas sales development representative, a new post.

Albert Floersheimer Jr., ex-Theatre Owners of America PR dir., rejoins Walter Reade-Sterling Inc. as advertising & publicity dir. . . . Nicholas J. Pope Jr. named WAVY-TV & WAVY Portsmouth, Va. public affairs dir. . . . Sidney B. Dexter resigns as educational WHYY Philadelphia administration & development vp, no plans announced.

Albert Warren, editor & publisher of *Television Digest*, co-founder of new Independent Newsletter Assn., Washington, elected to its board.

Obituary

George M. Nixon, 56, NBC engineering development dir., died Feb. 10 in Hollis, N.Y. He joined network in 1928, helped design its early radio studios, recently was active in color TV development. His widow, 2 sons survive.

■

Tightened transfer rules are proposed by FCC to cover cases where parties have full quota of stations. Operator with 7 stations would no longer file to buy & sell simultaneously; he'd have to dispose of one before filing for acquisition of another. Same procedure would apply to anyone seeking to buy & sell stations in same market. Proposal would amend Sec. 1.307 of rules.

Syncom Satellite Goes Astray: High expectations for sophisticated new Syncom high-altitude Communications satellite (Vol. 2:42 p4) received setback last week when it went AWOL shortly after launching. Hughes-developed satellite was boosted into hovering orbit 22,300 miles above earth from Cape Canaveral by NASA, was to be used for transatlantic teletype & phone tests. Radio contact was lost after Syncom went into orbit; NASA failed to restore communications. Launch of 2nd Syncom, equipped to transmit TV, scheduled for May, may be postponed if experts fail to discover source of Syncom I's trouble.

Other space communications developments: (1) Senate Commerce Committee hearings on operations of Telstar & Relay were scheduled to begin Feb. 18. Opening day witnesses will include FCC Comrs. Hyde & Craven, top NASA officials & representatives from AT&T and RCA. (2) Confirmation hearings on incorporators of new Space Communications Corp. before Sen. Pastore's (D-R.I.) Communications Subcommittee have been postponed from March 4 to March 11. (3) FCC authorized the 12 incorporators to buy one share each of organization's stock, and ITT announced that it has applied to Commission to purchase shares.

■

TV audience characteristics & program preferences are analyzed in new study prepared by ARB's John R. Thayer. Age, sex and education of viewers and income & size of viewers' family was traced in relation to 25 different program types. Among findings: (1) Same program gets substantially different audience at different hours. (2) Male-female viewer ratio is about same during daytime or evening. (3) Members of large families watch TV more than members of small. (4) Most "educational" type programs attract persons from smaller families. Copies available from University Microfilms, Ann Arbor, Mich.

Worldwide ETV system patterned after U.S. setup is suggested as method of improving international understanding & educational opportunities—by Earl of Bessborough, an Associated TV director. He told meeting of National Assn. of Secondary School Principals in Pittsburgh that U.S. ETV leads rest of world, could offer quickest & most economical opportunity to expand learning throughout world.

"Decency code" for theatres & motion pictures will be imposed by Congress if industries don't establish one themselves, Rep. Kyl (R-Ia.) warned. He introduced resolution calling on the industries to set up "code of taste, decency, and morality," which is "at least as high" as Hays code of 1930. Resolution is H. Res. 255.

Renewal of network o-&-o licenses, delayed by FCC's consideration of ancient payola problems, has been ordered by Commission. Other o-&-o renewals remain pending because of other questions—e.g., NBC-Philco dispute in Philadelphia, now near resolution (Vol. 3:1 p1).

Spot TV gross billings in 4th quarter 1962 were $197,759,000, up 11.2% from same 1961 quarter's $177,827,000, TvB reports. Preliminary annual spot TV total for 1962 was $721,212,000, 17% above 1961's $617,398,000.

Fancy brochure celebrating 5th anniversary has been issued by WFGA-TV Jacksonville. Hard-cover 24-page booklet includes color photos, statistics & commentary on growth of station & Jacksonville market since 1957.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

1962—THE STORY IN SALES FIGURES: EIA made it official last week with release of final 1962 sales statistics: Last year set records in unit sales of radios & phonos, and it was TV's best sales year since 1956—whether you include color or not.

On heels of this report came preliminary Jan. sales figures, which showed good business was continuing in TV, if not in radio. Black-&-white TV started off year with distributor-to-dealer sales of 489,000 sets, 5% above Jan. 1961's 482,000. Radio sales, however, were down nearly 15% to 482,000 from 563,000 in Jan. 1961 (but still higher than Jan. 1960). In both TV & radio, inventories were at healthy levels at end of Jan.—TV 10% below year-ago and radio identical to year-ago, in terms of combined factory & distributor stocks. Lowered production of radios in Jan. (down more than 20%) indicated drastic inventory revision was under way.

Looking at 1962's sales & production figures, here's how last year stacked up in TV-radio-phono:

Black-&-white TV: Best year in unit sales since the vintage years. Total distributor sales—6.3 million, increase of 9% over 1961 and first year since 1957 that they exceeded 6 million. (Throw in 400,000 color set sales and you have total of more than 6.7 million.) TV production totaled 6,471,160, increase of only 5% from 1961. In TV distributor sales, every 1962 month except May was better than corresponding 1961 month. Best month was Sept., when dealers bought a whopping 731,100 sets. Dec. was 2nd, with sales of 635,973, some 6% higher than Dec. 1961 sales. Uhf-equipped sets produced in 1962 totaled 598,446, up 61% from 1961's 370,977. It was biggest all-channel set year since 1957.

Radio: Sales ended about 240,000 short of 12-million mark (excluding auto), which some industry figures had predicted last fall. At 11,757,093, distributor-to-dealer sales were 5% ahead of preceding year's 11,225,010—enough for all-time record. In each of year's first 7 months, sales were higher than corresponding 1961 month—but in last 5 months of year, sales couldn't keep up with snappy pace set in latter 1961. During this period, only Nov. was better than 1961. Year closed out with Dec. sales a respectable 1,587,590—best monthly figure of year and only 2% below Dec. 1961's excellent 1,617,868.

Factory production of radios (again excluding auto) was also 5% above 1961—11,912,049 vs. 11,787,501. If you include auto radios, production totaled 19,161,906 (up from 17,373,846), exceeded only by the 20 million produced in 1947. With excellent auto sales year, car radio production set all-time record of nearly 7.3 million, 30% above 1961 figure and easily outstripping previous record of 6,864,000 (1955). FM radio production soared 36% to 1,227,081 from 915,297 in 1961.

Phonos: Year ended with real whammy—Dec. distributor sales of 865,269—nearly 40% above Dec. 1961 figure of 618,769! For full year, distributor sales (4,841,810) were up 22% (from 3,981,651). New seasonal pattern may be emerging in phonos. After trailing 1961 figures badly for first 5 months of 1962, distributor sales took off in May like ruptured stereophonic duck, with increases of 16, 18, 30, 52, 33, 31 & 40% over comparable 1961 months for rest of year. Sales wandered all over map. Banner Dec. sales were more than 4 times as great as those of May. Stereo-mono ratio continued pattern of preceding 3 years—72% of distributor sales were stereo last year vs. 73% in 1961.

Phono factory sales were up 24%—to 4,954,434 from 1961's 3,988,680. Here are complete month-by month 1962-vs.-1961 production & sales comparisons:

TV-RADIO DISTRIBUTOR SALES

Month	Black-&-White TV 1962	1961	Radio (excl. auto) 1962	1961
January	465,836	403,670	662,869	471,518
February	521,275	428,705	697,893	640,379
March	680,876	500,597	917,236	853,197
April	364,742	347,800	809,499	672,766
May	310,799	349,098	772,479	735,692
June	480,610	461,974	1,040,698	997,321
July	449,628	409,561	921,089	754,960
August	618,461	466,600	848,881	897,411
September	731,100	683,302	1,266,346	1,310,156
October	611,763	583,917	1,063,014	1,105,449
November	630,487	541,833	1,280,599	1,068,313
December	635,973	598,704	1,587,590	1,617,868
TOTAL	6,301,310	5,774,561	11,757,093	11,225,010

BLACK-&-WHITE TELEVISION PRODUCTION

Month	Total 1962	1961	UHF 1962	1961
January	488,869	367,936	39,609	25,270
February	541,494	444,418	46,715	24,614
March	659,251	497,458	48,323	21,450
April	510,547	405,808	51,107	19,095
May	474,647	470,399	39,609	22,782
June	620,653	615,118	60,283	34,641
July	336,409	383,378	28,369	23,233
August	500,693	514,674	44,862	33,946
September	731,517	694,680	70,299	41,253
October	669,966	620,816	66,069	43,198
November	617,276	682,952	64,080	42,743
December	619,799	680,262	49,341	38,772
TOTAL	6,471,160	6,177,797	598,446	370,977

RADIO PRODUCTION

Month	Total 1962	1961	Auto Radio 1962	1961	FM 1962	1961
January	1,350,630	1,090,073	530,589	387,136	76,610	50,421
February	1,464,797	1,115,029	480,232	307,973	84,216	41,357
March	1,810,417	1,384,052	607,510	384,227	81,010	75,044
April	1,472,654	1,124,924	519,296	375,570	63,193	51,260
May	1,444,074	1,196,949	504,846	408,876	62,292	49,705
June	1,721,873	1,626,263	629,004	618,010	92,287	88,808
July	1,134,250	1,030,399	403,946	320,128	68,037	48,114
August	1,263,753	1,386,101	427,747	451,374	98,609	69,090
September	2,196,371	2,048,698	837,104	691,493	166,433	110,174
October	1,835,914	1,796,391	695,680	676,629	149,554	95,818
November	1,735,274	1,730,761	729,187	688,343	147,894	125,184
December	1,741,899	1,846,206	854,716	658,687	138,046	110,822
TOTAL	19,161,906	17,373,846	7,219,857	5,586,345	1,227,081	915,297

PHONO DISTRIBUTOR SALES

Month	1962 Mono	Stereo	Total	1961 Mono	Stereo	Total
January	48,423	171,305	219,728	74,881	211,268	286,149
February	50,663	188,857	239,420	64,097	210,365	264,462
March	60,206	236,051	299,257	59,290	231,021	290,311
April	54,615	146,677	201,192	48,632	173,585	222,117
May	65,192	130,372	195,564	56,057	164,400	219,457
June	91,526	183,000	274,526	47,970	170,178	218,148
July	90,175	202,125	292,300	58,514	153,550	212,064
August	115,741	301,047	416,788	93,749	225,423	319,172
September	169,933	426,080	596,013	107,698	283,688	391,386
October	183,182	426,033	609,215	133,245	324,654	457,799
November	186,660	446,178	632,838	145,045	336,762	481,817
December	232,373	632,696	865,269	183,060	436,709	618,769
TOTAL	1,351,589	3,490,221	4,841,810	1,091,148	2,920,503	3,981,651

PHONO FACTORY SALES

Month	1962 Mono	Stereo	Total	1961 Mono	Stereo	Total
January	68,645	191,014	269,559	80,336	211,383	291,749
February	52,666	202,846	265,412	60,710	204,638	256,348
March	60,991	237,492	298,483	62,396	227,469	289,865
April	46,152	137,960	183,102	53,074	152,974	206,048
May	67,610	119,682	187,292	53,887	142,450	196,337
June	104,548	278,989	383,637	61,633	197,170	258,703
July	89,699	220,694	310,393	70,681	171,331	242,012
August	109,258	332,197	441,455	106,157	242,164	348,321
September	182,703	606,651	688,354	124,142	328,045	452,187
October	194,699	494,485	689,084	161,580	350,254	501,834
November	201,312	466,325	667,637	141,083	358,285	499,368
December	176,042	414,084	590,126	132,822	314,086	446,908
TOTAL	1,353,025	3,601,409	4,954,434	1,088,431	2,900,249	3,988,680

GE's picture-tube operation has been split up and OEM tube manufacturing placed under TV receiver dept., while replacement picture-tube manufacturing will be conducted under receiving tube dept., and image orthicon and industrial & military CR tube responsibilities will be shifted to power tube dept. Sales of OEM & replacement picture tubes will be handled by receiving tube dept. Cathode ray tube dept. has been eliminated after resignation of Gen. Mgr. David C. Scott to join Fairbanks Whitney Co.; Wilfred L. Gorrell, former CR tube dept. plant operations & mfg. mgr., heads up new CR tube operation within TV receiver dept. No facilities of the former CR tube dept. will be moved, and GE officials said company would continue to seek outside OEM picture-tube business.

That proposed "hi-fi" definition was discussed by component hi-fi manufacturers in Washington and New York. In panel discussion at Washington High Fidelity Music Show, industry panelists agreed with FTC's Bryan H. Jacques that there was need for official definition to protect public, but industry representatives warned that definition shouldn't freeze progress in the art. In New York, Institute of High Fidelity board voted to poll its manufacturer members on whether to submit proposed hi-fi definition to FTC. Meanwhile, FTC's Bureau of Industry Guidance indicated it may hold trade practices conference for phono record industry next month.

America needs "an effective national philosophy & a sense of purpose flexible enough to accommodate the sweeping changes expected as science further pierces the unknown," Philco Pres. Charles E. Beck told Electric Institute in Boston Feb. 11. "The mind of the individual is still the key & the hope of the future," he declared, adding: "We are on the verge of breaking out of our present land & water limits. We are about to explore space with its unknown, unpredictable problems & opportunities. We know we have the potential technical competence. Do we have the intellectual & moral strengths necessary?"

No color TV for Canada in near future—that was ruling of BBG following extensive hearings. Board said that high costs to viewers & broadcasters, as well as absence of "appreciable" demand, ruled out early start for color. BBG also noted that an estimated million Canadian homes were now in range of U.S. colorcasts, but there were only about 4,500 color sets in use in Canada. Canada's 2 TV networks had opposed immediate start of colorcasting, while receiver manufacturers in EIA of Canada had sought plan for introduction of colorcasts.

Transistorized auto ignition systems for after market have been introduced by Motorola & Automatic Radio Mfg. Motorola says system improves high speed performance, cuts maintenance costs & eases cold-weather starting, will sell system through replacement-parts dealers at $60 suggested list. Automatic will begin deliveries in 2-3 weeks of system adaptable to any model car. One type will sell for $39.95, a 2nd for either $49 or $59. Motorola has had transistorized system for OEM market since 1961.

EIA is surveying tape recorder manufacturers for their suggestions on "format" for report on recorder market statistics, as recommended by its consumer products marketing services committee. Survey conducted by committee mgr. Clinton S. Lee asked for definitions of tape recorders, suggestions for format for periodic report and asked manufacturers if they were interested in receiving industry statistics.

NEW BONDED TELEGLAS GAINS ACCEPTANCE: Riding on twin booms in 16-in. & color sets, Pittsburgh Plate Glass believes 1963 will be first really big year for its bonded Teleglas picture-tube implosion shield.

PPG has just announced new type of glass for bonding process—"the first major new TV glass we've made in 12 years"—and its officials say tubes using its bonded glass in 1963 will be "far more than double" last year's figure.

In excitement over dramatic development of Kimcode, and recognition of acknowledged lead of Corning twin-panel bonding process in 23-in. size, it's easy to overlook inroads being made by PPG bonding system. Facts are, of course, that most manufacturers are still a little nervous about Kimcode (the implosion-resistant tube with no implosion shield) and everybody's waiting for someone else to make first move, and that PPG's bonding process has made biggest progress in tube sizes for which no Corning twin-panel bulbs are available.

On positive side, however, are these facts: All OEM picture-tube manufacturers except Westinghouse are currently set up, or setting up, to make PPG-type laminated tube; substantial percentage of color & 16-in. black-&-white tubes use PPG process; PPG laminated tubes sell for somewhat less than equivalent Corning twin-panel versions.

PPG's new glass is companion development to its recently introduced 1/8-in. Teleglas. It's new version of 1/8-in. glass with light transmission lowered to 55%. It has same color & transparency as present 1/8-in. glass (which has 70% transmission), and meets JEDEC standard for transmission for old 1/4-in. safety glass. Big advantage, of course, is greatly improved contrast, as compared with earlier 1/8-in. Teleglas. Tube manufacturers will receive samples by end of this month, with production scheduled to start by end of March.

Difference between PPG & Corning bonding processes is that PPG glass is plate glass curved to contour of picture tube, while Corning's is moulded glass cap. PPG, which makes raw glass for TV safety plates (independent glass-forming companies make actual implosion plates), has always had lion's share of external implosion-plate business, developed its lamination process when its leadership in implosion plates was threatened by Corning's twin panel. It claims its process results in lighter, cheaper & easier-to-build tube.

PPG's bonded Teleglas originally was 3/16-in., and its new thinner glass has now been approved by UL in 16-, 19- & 23-in. tube sizes (Vol. 2:51 p9). It has met with its first success in 16-in. size, and all U.S.-made 16-in. tubes except GE's (which have GE's bonded-plastic Lamilite shield) now use bonded Teleglas. Vast majority of color tubes now being made are equipped with 3/16-in. bonded Teleglas, and PPG hopes to develop 1/8-in. Teleglas for color, too. Neither Corning twin-panel nor Kimcode process is currently available for 16-in. or color tubes.

PPG is delighted with success of 16-in. sets, and believes that market will absorb 500,000 U.S.-built ones this year as almost every set maker enters 16-in. fold. PPG will also be ready to move with bonded Teleglas for 10-, 11- or any other smaller sizes which crop up this year (although GE's 11-in. tube will probably use GE's own Lamilite process).

Company is hoping its new higher-contrast glass will make inroads into 19- & 23-in. markets this spring—particularly 23-in. This is area where Corning's twin-panel has achieved acceptance and where PPG can increase its total business by greatest amount. PPG can be expected to give lower priority to 19-in. market, because Corning twin-panel approach has not captured large segment of this field, and most 19-in. sets already use another PPG product—external safety shields made of PPG Teleglas.

Thus latest report from picture-tube-shielding race indicates it's still largely a 2-way battle: Corning laminated twin panel vs. PPG's external glass & its up-&-coming laminated Teleglas. Owens-Illinois' Kimcode process seems to be a late starter, and GE's Lamilite entry has succeeded only within the GE stable.

TV-RADIO PRODUCTION: EIA statistics for week ended Feb. 8 (6th week of 1963):

	Feb. 2-8	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
TV	137,780	148,355	142,731	767,827	765,980
Total radio	333,793	337,704	372,325	1,878,797	2,063,082
auto radio	151,488	154,258	125,431	868,900	773,450

WESTINGHOUSE PLANS RETAIL STORE: Westinghouse edged deeper into retailing areas with 2 major moves last week but emphasized its oft-repeated disclaimer of any national retailing plans or ambitions. The moves:

(1) Announced it will open & operate a conventional TV-appliance store in suburban Columbus, O. to furnish Westinghouse market research experts with an authentic workshop for studying consumer buying habits, experimenting with new merchandising techniques, charting basic retailing & merchandising data for ultimate relay to all Westinghouse dealers. Company-owned store is slated for opening in April.

(2) Officially opened Toledo, O. as its 3rd sales & display city, after Salt Lake City & Minneapolis (Vol. 3:2 p7).

Westinghouse told us both moves are ramifications of 3-year-old consumer research program aimed at finding new ways to sell more & better merchandise. Company emphasized that 3,600-sq.-ft. appliance store for Kingsdale Shopping Center is the only such store contemplated.

"The response you get when shoppers know they're being tested just isn't the same as when they don't know they're involved in a research program," spokesman told us. "After the initial publicity on our store dies down, we expect that shoppers will forget the Westinghouse connection and regard the store as just another local appliance dealer." Store will carry no Westinghouse ownership identification, will be named simply Kingsdale Appliance Center.

Company store will operate in competition with local Westinghouse dealers, purchase its TVs, radios & appliances from local Westinghouse factory depot. Sales staff will differ, however. Kingsdale Appliance Center will be staffed with salaried saleswomen, "to determine if women sell best to women."

Westinghouse is not only major electronics firm with company-owned retail outlet. Admiral for past 3 years has owned Berg's TV & Appliance in plant city of Galesburg, Ill. It took over existing store, Admiral told us, to "provide a showcase for our products, to efficiently handle sales to employes and to experiment with new promotion ideas." Spokesman said Admiral "has no plans to expand" into other retail stores.

Westinghouse would only confirm that Toledo has officially become its 3rd sales & display city. We learned, however, that 2 major participants in Toledo program are multi-outlet LaSalle & Koch Department Store and the Woodville Electric Co.

"We're months away from the answers on this program," spokesman told us. "We're looking at other markets right now & could expand the program. On the other hand we could drop it completely. We're not committed to it. It's absolutely experimental at this stage & we won't know the direction or future of the program until we get some firm answers on its effect and benefits. A year from now we could have a completely different type of sales & display program—or nothing at all."

New quality stabilization bill (HR-3690) has been introduced in House by Rep. Harris (D-Ark.) and number of other Congressmen. Bills are similar to ones which got nowhere last session, would give brand name manufacturer power to revoke retailer's right to sell his goods if retailer used certain practices, including price cutting or bait advertising. Measures don't include provision contained in last year's bill—to restrict the legislation to use in states with laws permitting resale price maintenance practices.

Communications blackout which occurs during final moments of astronauts' reentry from orbit may have been solved. NASA officials report difficulty may be overcome simply by spraying water from capsule as it reenters atmosphere. Space Agency Electronics & Control Dir. Albert Kelley told an electronics industry conference that agency's Langley Research Center has conducted successful experiments in overcoming blackout.

Sony Corp. of America has opened new executive offices at 580 Fifth Ave., N.Y. 36. Warehousing & service facilities continue at 514 Broadway.

Piracy suit has been filed by Minnesota Mining & Mfg. against 2 former employees & the Winston Research Corp. they formed with others in Los Angeles early last year. Plaintiff charges that Wayne Johnson, ex-engineering mgr. of its Mincom Div., & former Mincom sales mgr. Charles Tobias plan to produce tape recorder similar to model developed at Mincom. The $725,000 suit was filed in U.S. District Court, Los Angeles.

Magnavox's annual promotion, the Factory Authorized Sale, began Feb. 17 and runs 6 weeks, featuring reductions up to $100 on 50 models, including radios, phonos, TV, stereo theaters and all-transistor high-end Astro-Sonic stereo consoles. One of price leaders will be 19-in. walnut cabinet table model marked down $30 to $149.90. National advertising will use FM radio spots as well as magazines.

Olympic has introduced 3 new U.S.-made 19-in. portables and 2 promotional portable stereo phonos. TVs include monopole & dipole models and set with built-in 3-hour timer; all are open list. Both stereo portables have tilt-down changers and detachable wing speakers; suggested retail prices are $99.95 & $119.95.

Trade Personals

Douglas Y. Smith named vp-gen. mgr., RCA Electronic Components & Devices, a new post. Former vp-gen. mgr. of RCA Electron Tube Div. will continue as executive head of that division and have over-all responsibility for both Tube Div. & Semiconductor and Materials Div.

Harrison Van Aken, head of GE's mobile radio activities since 1952, named gen. mgr. of computer dept., Phoenix, successor not yet announced.

Robert B. Sampson, ex-market research mgr., named head of newly created market development activity for distributor products of RCA Electron Tube Div. . . . Robert B. Franklin, ex-lighting products industrial relations mgr., named Sylvania dir. of procurement & facilities services, succeeding David K. Elwell, recently named dir. of new product planning (Vol. 3:6 p10).

Robert M. Andrews, ex-export sales mgr., named sales dir., Tung-Sol international div.

Norman Kormetz, one time engineering mgr. for Westinghouse's TV-radio Div., named engineering vp of Lear Siegler's Bogen Communications Div., a new post . . . Charles P. Smith appointed mfg. superintendent of Sylvania's Naugatuck, Conn., Parts Div. plant.

Lee D. Webster named Electro-Science Investors pres. & chief exec. officer, succeeding Joseph F. McKinney, elected exec. committee chmn; James H. Bond appointed chmn. Appointments follow James J. Ling's resignation as chmn., chief exec. officer, exec. committee chmn., and a dir.

Stanley D. Zemansky appointed administration vp of Standard Kollsman's Kollsman Instrument subsidiary . . . A. G. Bodoh named Seeburg vp and engineering dir., succeeding M. W. Kenney, advanced to vp & research dir.

Donald A. Sayles joins International Resistance as Plastic Products Div. mktg. mgr. . . . Emanuel Davis, ex-GE, joins General Instrument as Rectifier Div. quality control & reliability dir., a new post.

Dr. James J. Brophy advanced to technical development vp by Armour Research Foundation of Ill. Institute of Technology.

William S. Hepner Jr. promoted by EIA from Office of Information mgr. to Marketing Services Dept. as industrial electronics mktg. services mgr. & special projects & publications mgr.

George I. Harrison, vp-gen. mgr. of Montreal-based Tappan-Gurney Ltd., appointed vp of Canadian Electrical Mfrs. Assn. & chmn. of CEMA's newly formed Canadian Council of Appliance Mfrs.

Albert F. Cassevant named Raytheon Electronic Services Operation mgr., succeeding O. L. Dewey, who will devote full time as pres. of subsidiary Raytheon Service Co.

Paul W. Wheaton named vp of Noble-Oak Ltd., Japan-based TV tuner maker co-owned by Oak Mfg. & Teikoku Tsushin Ltd.

R. L. Moxley appointed Pentron Electronic pres., succeeding Osborn Andreas who continues as chmn. & treas.; Harold Ballonoff named corporate vp; Samuel Grode, Tape Recording Div. exec. vp, also named corporate vp.

Dean C. Bradford elected pres. of ITT's newly formed Electron Tube Div.; William C. Schmitt elected vp, Howard E. Cobb comptroller.

Obituary

Joseph E. Cain, 59, P. R. Mallory co-chmn. & exec. committee chmn., died Feb. 12 in crash of Northwest Orient Airlines jet in Florida Everglades. Cain joined Mallory in 1920's, was widely known in electronics parts industry.

Cyril Frank Elwell, 78, radio communications pioneer, died Feb. 11 in Palo Alto, Cal. after a long illness. In 1908, he teamed with Dr. Lee de Forest in early test of radiotelephone. Pioneering transmission covered 5 miles between Palo Alto & Los Angeles.

GT&E scored record revenues & earnings in 1962 & anticipates that 1963 "will bring further increases in revenues, sales & earnings," Chmn. Donald C. Power reported (see financial table). Earnings rose 17% to $86.3 million from 1961's $73.8 million as revenues climbed 8% to $1.328 billion from 1961's record $1.227 billion. Figures on Sylvania's performance were not released, but Power reported income from manufacturing operations rose 16% to $29,025,000. GT&E invested $277 million in new telephone & manufacturing facilities last year, will spend additional $280 million in 1963.

RCA reported record Jan. home instrument sales, with dollar volume 23% higher than that of Jan. 1961. Marketing vp Raymond W. Saxon reported color TV dollar volume 45% higher than year-ago levels, total TV sales up 28%, tape cartridge recorder dollar volume up 20%, radio dollar volume up nearly 10%, with FM radios setting new sales records.

Experimental beam-plasma tube for amplification in frequencies near the infra-red range has been developed by RCA under Air Force contract. Noting that tube may "open new communications & radar channels," RCA Labs vp Dr. James Hiller explained that this development marks first time in Western Hemisphere that such high frequencies have been amplified by use of a beam-plasma tube.

ITT has formed an Electron Tube Div. to consolidate all phases of "special purpose tube business for ITT in the U.S.," reported vp & North American area gen. mgr. John J. Graham. Unit of new division will be located in $3.5 million, 125,000 sq.-ft. plant to be erected this spring near Easton, Pa. Graham said ITT's special purpose tube business has doubled in past 3 years.

EIA membership has approved split-up of its Tube & Semiconductor Div. into 2 separate divisions. Tube Div. will be headed by George W. Keown, Tung-Sol; Semiconductor Div. by acting chmn. Stephen L. Levy, Lansdale.

"Scratch-proof" phono cartridges are spreading to hi-fi component field. Shure is producing "floating" cartridge for Garrard changers at $49.50, is developing another for Miracord.

Distributor Notes: Emerson Radio appoints Mason Distributing Co., Kansas City, Mo. (Robert Mason, pres.) home electronics distributor in western Missouri & eastern Kansas • Emerson Radio appoints DeMambro Radio Supply, 169 Spring St., Springfield, Mass., distributor for Telectro tape recorders in western Massachusetts • Olympic appoints new sales mgrs at 2 factory branches: Robert Whitelaw, Olympic TV of Western N.Y. (94 Pearl St., Buffalo); Charles Corman, Olympic Mid-State Inc. (18 Interstate Ave., Albany).

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Amphenol-Borg Electronics	1962—year to Dec. 31[1]	$ 93,082,750	$ 5,175,298	$ 2,345,298	$1.69	1,387,677
	1961—year to Dec. 31	73,204,641	1,312,299	623,299	.45	1,388,677
	1962—qtr. to Dec. 31	27,168,520	—	752,134	.54	1,387,677
	1961—qtr. to Dec. 31	20,050,845	—	(268,834)	—	1,388,677
Avnet Electronics	1962—6 mo. to Dec. 31	22,823,864[2]	—	1,621,347[2]	.53	2,760,766
	1961—6 mo. to Dec. 31	19,403,243	—	1,564,265	.51	2,760,766
CBS Inc. Story below	1962—year to Dec. 31	509,269,813[2]	—	29,053,734[2]	3.27	8,889,932
	1961—year to Dec. 31	473.843,935	—	22,037,828	2.47[7]	8,896,813
	1962—qtr. to Dec. 31	151,259,206[2]	—	10,546,515[2]	1.19	8,889,932
	1961—qtr. to Dec. 31	134,825,689	—	9,384,315	1.04[7]	8,896,813
Corning Glass	1962—year to Dec. 31	262,199,886[2]	—	28,096,609[2]	4.11[3]	6,789,000
	1961—year to Dec. 31	229,568,819	—	25,925,900	3.79[3]	6,775,995
CTS Corp.	1962—year to Dec. 31[1]	28,245,799	4,298,791	2,153,391	1.45	1,482,003
	1961—year to Dec. 31	21,468,189	3,813,134	1,822,734	1.26	1,447,003
	1962—qtr. to Dec. 31	7,593,336	—	558,321	.38	1,482,003
	1961—qtr. to Dec. 31	6,136,051	—	526,484	.36	1,447,003
GPE	1962—year to Dec. 31[1]	222,862,126	9,643,504	4,373,504	2.40[3]	1,643,101
	1961—year to Dec. 31	234,620,431	11,461,108	5,321,108[8]	3.10[3]	1,558,328
	1962—qtr. to Dec. 31	59,841,156	3,045,715	1,370,715	.77[3]	1,643,101
	1961—qtr. to Dec. 31	63,424,341	3,548,826	1,677,326	.98[3]	1,558,328
GT&E	1962—year to Dec. 31	1,327,925,000[2]	—	86,269,000[2]	1.15[7]	74,611,000
	1961—year to Dec. 31	1,226,584,000	—	73,774,000	1.00[3]	73,287,000
Giannini Controls (Conrac)	1962—year to Dec. 31	25,015,221[2]	1,216,699	646,278	.58	1,122,126
	1961—year to Dec. 31	22,042,394	1,792,220	858,799	.81	1,065,268
International Resistance	1962—year to Dec. 31	29,423,449[2]	—	2,481,698[2]	1.70	1,462,209
	1961—year to Dec. 31	24,717,034	—	2,088,315	1.43[4]	1,461,392[4]
Indiana General	1962—year to Dec. 31	25,501,081	4,188,121	2,076,121	1.81	1,150,002
	1961—year to Dec. 31	22,034,915	3,724,663	1,790,663	1.56	1,150,002
Polarad Electronics	1962—6 mo. to Dec. 31	5,365,896	208,907	186,107	.13[3]	1,403,517
	1961—6 mo. to Dec. 31	4,487,223	(2,468,972)[5]	(1,291,972)[6]	—	1,403,517

Notes: [1] Preliminary. [2] Record. [3] After preferred dividends. [4] Adjusted to reflect Dec.-1962 2% stock dividend. [5] After $2 million inventory write-downs. [6] After $1.2 million tax credit. [7] Adjusted to reflect Dec.-1962 3% stock dividend. [8] Before net gain of $545,258 from sale of property.

CBS Nets Record Year: Peak sales & profits were posted by CBS Inc. last year as volume & earnings in Oct.-Dec. period rose to highest level for any previous quarter (see financial table). Year's earnings soared to $29.1 million from 1961's $22 million as sales jumped to $509.3 million from $473.8 million. Dec.-quarter earnings rose to $10.5 million from $9.4 million a year earlier. Sales gained to $151.3 million from $134.8 million in Oct.-Dec. 1961.

CBS Treas. Samuel R. Dean forecast "excellent" results for 1963's opening quarter, said "approximately half the profit gain in 1962 over 1961 is attributable to the sale [in Sept. 1961] of the Electronics Div." which "penalized profits" in 1961.

Axe Science & Electronics mutual fund reported decline in net assets in 1962 to $20,902,808 from 1961's $22,707,087. Net assets per share at year's end slipped to $10.49 on 1,993,330 capital shares from $12.20 on 1,860,639 Dec. 31, 1961.

Dividend action: Minnesota Mining & Mfg. has boosted quarterly common stock cash dividend to 22½¢ from 20¢, payable Mar. 12 to holders of record Feb. 22.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
AB-PT	Q	$0.25	Mar. 15	Feb. 25
AT&T	Q	.90	Apr. 1	Mar. 1
CBS	Q	.35	Mar. 8	Feb. 25
GPE	Q	.30	Mar. 15	Feb. 28
GT&E	Q	.20	Mar. 31	Feb. 20
Warner Bros. Pictures	Q	.12½	May 6	Apr. 12
Minnesota Mining	Q	.22½	Mar. 12	Feb. 22
Movielab-"A"	Stk.	4%	Apr. 15	Mar. 18
Movielab-"B"	Stk.	4%	Apr. 15	Mar. 18
Indiana General	Q	.20	Mar. 11	Feb. 25
Sprague Electric	Q	.30	Mar. 14	Feb. 28

Oak Mfg. expects 1963 sales to jump 70% from 1962's "more" than $30 million if present acquisition plans materialize. Pres. E. A. Carter said Oak has 4 possible acquisitions under "active" consideration & 2 that "have shown interest in further negotiations." Oak's present interest, he said, is in companies with "compatible component lines" that are producing annual sales of $5-$15 million. He estimated that Oak's 1962 earnings will climb to around $1.25 a share from 1961's 85¢.

NAB LIBRARY
FEB 25 1963

WEEKLY **Television Digest**

FEBRUARY 25, 1963 NEW SERIES VOL. 3, No. 8

Albert Warren, Editor & Publisher, 2025 Eye St., N.W., Washington 6, D. C. Phone: 965-1985
David Lachenbruch, Managing Editor, 580 Fifth Ave., New York 36, N.Y., Circle 6-2215
Harold Rusten, Associate Editor, 111 Beverly Rd., Overbrook Hills, Philadelphia 51, Pa., Midway 2-6411
Michael H. Blake Jr., Assistant Editor, Washington. **Charles Sinclair, Contributing Editor,** New York
Edward M. Kelly, General Manager, Washington

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

POSSIBILITY OF VHF DROP-INS brings intense lobbying, some uhfs joining vhfs in opposition, other uhfs hoping for chance at new vhfs. FCC gears for uhf-development meeting (p. 1).

STEINER STUDY IS BLOCKBUSTER, and 'The People Look At Television' is likely to have long-lasting effects on TV industry. Most viewers like TV, make it part of their lives, often feel guilty about it, pay lip service to public affairs. Interview with author of new $135,000 CBS-supported study (p. 2).

PORTENTS OF HOUSE RATINGS PROBE: Major services coming through well, but a few sensations expected via fly-by-nights (p. 3).

TV IS MARKET YARDSTICK in new list of 168 U.S. markets published by 'Sales Management,' likely to become important basic research tool. Survey scraps old-fashioned city boundaries, reflects suburban growth reached by TV, contains some real surprises (p. 4).

DISPUTE OVER CATV MICROWAVE proposal, in comments filed with FCC, foreshadows debate over expected CATV-regulation bills (p. 5).

RACE TO SPACE COMMUNICATIONS—Senate Communications Subcommittee checks FCC progress in establishing global satellite communications system. It could be ready in 3-4 years, committee told (p. 6).

Consumer Electronics

RCA SHOWS 19-IN.-ONLY PORTABLE TV SETS: In addition to 8 models that start at $149.95, there's 'unofficial' open-list entry slated to sell in neighborhood of $140. RCA drops 17-in. set, fails to show somewhat-expected 16-in. models (p. 7).

FM CAR RADIOS ROLLING—BUT SLOWLY: Consumer interest is rising but radio makers foresee slow rate of growth because of price & technical fact that FM in car is not same as FM in home (p. 7).

UL SAFETY APPROVAL or equivalent required by law in only 9 states, EIA survey shows. Importers see no particular problem (p. 8).

GT&E TRANSMITS TV VIA LASER BEAM, demonstrates experimental system with potential for simultaneously transmitting 160 TV programs vs. 10 with conventional equipment (p. 9).

WE'RE MOVING

We're shifting to expanded quarters in Washington this week end. New address & phone: 2025 Eye Street, N.W., Washington 6. Phone: 965-1985. Please change your records — and ask your public relations people to readdress their releases. Y'all come see us.

VHF DROP-INS AND 'LINES OF FORCE': Jockeying among vhf & uhf interests intensified last week, as FCC prepared to discuss again this week the famous vhf "drop-ins"—short-spaced additions to 8 substantial markets (Vol. 3:7 p2). With vote at Commission apparently very close, affected parties are really pulling & hauling, including lobbying on Capitol Hill.

Lineup of forces is as follows: AMST, representing major vhfs primarily, is fighting to ward off vhf short-spacing—which would eat into existing vhf coverage areas. ACT, representing uhfs, argues that addition of the 8 vhfs would kill chances of uhf in those markets. At same time, existing & former uhf operators in

those markets are hungry for crack at vhf channels; these hopefuls are joined by new entities eager to enter telecasting in such substantial markets where success is almost guaranteed. Latter are backed by ABC, which wants immediately competitive outlets in those markets.

Conflicting interests are epitomized by filings in Dayton case. Taft Bcstg. and WWLP Springfield, Mass. told FCC they will apply for uhf there if no vhf is added. These filings were opposed promptly by several prospective vhf applicants. There must be 50 or more prospective applicants for those markets, straining at leash.

FCC moved ahead, meanwhile, with plans for new committee to promote uhf (Vol. 3:6 p1). Happily, Commission reported that President Kennedy had given project his blessing, by saying: "The Committee you have established is an excellent forum for industry-govt. cooperative efforts." As indicated earlier, Comr. Lee is chmn., Comr. Henry vice chmn.

First meeting was called for March 12, 10 a.m. in Washington's Departmental Auditorium. Three subcommittees were suggested as a starter: technical development, uhf station operation, consumer information. Lee invited all with ideas to submit them to him at least a week before meeting. List of dozens of organizations invited was announced—but all interested parties are welcomed. List includes: govt. agencies; telecasting, manufacturing & advertising associations; manufacturers of sets, tuners, antennas, transmitters, etc.; unions.

Another uhf complication is educators' request for 6 permanent channels for airborne operations. MST last week urged FCC to hold off, noting sparse technical information on hand. Airborne group plans to submit more specific data shortly.

Senate Communications Subcommittee, under Sen. Pastore (D-R.I.), will get fill-in from FCC Feb. 27; it asked Commission for testimony on ETV and implementation of all-channel-set law.

Illustrative of uhf's problems, WCCB (Ch. 32) Montgomery, Ala. went dark last week after about a year's operation. It had ABC-TV, was sold by ABC to more than 90% of its accounts—but reports are that it was under-capitalized, might otherwise have made it. It competed with vhf WSFA-TV (Ch. 12) & uhf WCOV-TV (Ch. 20)—both doing well.

Mobile measurements of FCC's N.Y. uhf transmissions (Vol. 3:7 p5) seem to be what engineers expected; no great reaction has developed. Uhf proponents at FCC call attention to fact that uhf antenna had substantial electrical tilt—so that its ERP at greater distances was about 100 kw instead of the 800-900 kw of its major near-in lobe. Thus, they say, signal strength in outlying areas isn't what it would be with little or no tilt.

STEINER STUDY IS RESEARCH BLOCKBUSTER: Biggest conversational subject in TV industry last week was huge study of audience attitudes written by psychologist Gary A. Steiner and titled *The People Look At Television*, with CBS's pres. Dr. Frank Stanton as sponsor.

Impact of study will be felt in TV for long time to come. Too late to play much role in fall program planning outside CBS (which had early inkling of findings), Steiner's 422-page book contains gold mine of information likely to condition TV industry's attitudes & relationships concerning: (1) many of medium's harshest & outspoken critics, (2) development of future programming, (3) government, (4) station role within network structure.

Study findings are valid today, even though field work by National Opinion Research Center and Elmo Roper for Bureau of Applied Social Research at Columbia U. was made in spring of 1960—a time when quiz scandal still reverberated and Minow-coined "vast wasteland" phrase had not yet been heard. Steiner, a personable, slim, dark-suited model of a modern major researcher, told us in N.Y. that special follow-up study, a few months back, "showed results were holding up quite nicely in basic areas of importance."

Peculiar ambivalence of TV critics is detailed in study (available as hard-cover $7.95 book from Knopf). As Steiner put it: "Those viewers who are least numerous & most influential are least positive in their attitude toward TV." This is no surprise to broadcasters, but what is likely to come as something of shock is study-revealed facts of actual viewing (as checked by ARB) vs. attitudes expressed about TV.

Consumption of information shows does not move up scale with increased education. At time of study, public affairs shows occupied about 15% of network airtime (they still do). Of TV consumption of view-

ers who had 0-8 years of grade-school education, only 5% was public affairs. Among viewers on opposite end of scale who had college-and-beyond educations, figure was still only 8%. Most of TV's best-known & most influential critics, it's interesting to note, fall in latter category. Practically everybody wants, primarily, to be entertained.

Redeeming factor of sorts discovered in study is that viewers tend to move outward & away from TV as a primary source of social & political "information" and toward specialized media (magazines like *Harpers*, etc.) with increased education, Steiner pointed out. Viewers with modest educations, in other words, see TV as a basic source of general knowledge; sophisticated viewers see it as an occasional source.

Guilt feelings are rampant in TV homes, and may well play important role in criticism of medium, and govt. attitudes & probes. Of viewers interviewed, nearly 50% associated TV with being "lazy," as compared with 12% who associated same concept with reading books. When it came to parents' attitude toward TV's effects on children, most family heads "conclude that TV's virtues outweigh its vices." However, there was greater tendency to rationalize educational benefits of TV for children with increased educational level of parents; 64% of grade-school-educated parents mentioned such benefits, vs. 89% of college-&-beyond parents.

Some such "benefits" are questionable, it's only fair to point out. Steiner cited one parent who told interviewer: "My kid has learned from watching westerns that when you sit in a saloon you should always face the door so you can see anyone who's coming in to shoot you."

Important point for planners of programming is, apparently, measure of guilt feelings by viewers toward TV. Although very few viewers watch heavily-educational shows (Steiner found that only one viewer in 5 was watching even one such show per month), "people like entertainment to be educational whenever possible." They do not, interestingly, like it the other way around.

In realm of TV commercials, largest single dislike mentioned by viewers interviewed (21%) was "interruptions" caused by commercial breaks during entertainment designed to catch audience at moments of peak interest. Relatively minor (4%) was "too loud." Asked for comment on fact that many agencies defend irritating commercials on basis of proven ability to sell patent medicines & other products, Steiner countered with: "How do agencies know they would't be successful if they did not irritate viewers?"

Study itself was giant undertaking by any measure. Field study was done among nearly 2,500 adult viewers (18-70 years) throughout U.S. in 537 areas. Special check of 300 viewers in N.Y. area was made to compare attitudes vs. ARB-recorded viewing. Cost of study was underwritten by $135,000 grant from CBS. Study is roughly comparable to study of more than decade ago, *The People Look At Radio*, by Paul F. Lazarsfeld. Steiner told us he had "tried to work in several questions to make the studies more directly comparable," but ran into blank wall in field on questions of govt. control of TV and spectrum allocation, decided to drop idea.

Steiner himself is TV viewer in his Chicago-area home, where he lives with wife and daughter, Linda. He has 2 TV sets, "one downstairs in the living room, and the best set, a console, upstairs in the bedroom." He described 6-year-old Linda as "a viewer with no great selectivity" who is "too old for *Romper Room*, in her opinion, and who is a great fan of *Alfred Hitchcock*." Steiner and his wife prefer, he told us, "to watch movies on *The Late Show*." He is one of the few adult American viewers who has never seen an episode of *The Beverly Hillbillies*. "I've been too busy working on the study," he told us sheepishly.

Research buff Dr. Frank Stanton appeared well-pleased with *The People Look at Television*. He said he considered it "first comprehensive & definitive effort to find out how public actually responds to TV." He noted the study's "surprising contradictions, especially on the part of more intelligent viewers." Stanton's summation of Steiner's project: "We've heard a lot of talk. Now, here are some facts."

PORTENTS OF HOUSE RATINGS PROBE: Rep. Harris's (D-Ark.) track record being what it is—as an exposer of trickery in rigged-quizzes, payola, etc.—you can expect a sensation or 2 in his hearings on ratings starting March 5. However, we expect the major rating services to come through reasonably well, as they did in consent agreements with Federal Trade Commission (Vol. 3:1 p2).

Real danger in hearings is that a few fly-by-night rating operators, who tailor their "surveys" to clients' pocketbooks, will be exposed—and public will associate respectable pros with tricksters. But this is almost inevitable in Congressional hearings.

New House Special Subcommittee on Investigations will conduct hearings, Harris as chmn. First witnesses will be NAB Pres. Collins—who has long fretted about misuse of ratings—and FTC Chmn. Dixon. Network probabilities: NBC's Exec. vp Walter Scott, CBS's TV Pres. James Aubrey, ABC's witness not yet identified. Plans don't yet call for FCC spokesman. And, of course, major rating services will testify: ARB, Nielsen, Pulse, Hooper, plus some smaller regional firms.

Hearing will cover the obvious: use of ratings, reliance placed on them, purported accuracy, etc. Charles Howze is chief counsel, and field work has been done by staff men Rex Sparger & Robert Richardson.

Membership of Committee is much same as former Regulatory Agencies Subcommittee which, in turn, succeeded Legislative Oversight unit: Democrats—Moss (Cal.), Rogers (Fla.), Long (La.), Hull (Mo.). Republicans—Bennett (Mich.), Springer (Ill.), Younger (Cal.) Brotzman (Colo.).

TV AS MARKET YARDSTICK: Old marketing concepts are changing, reflecting TV's importance as basic advertising medium. Seldom has this been clearer than in new "Survey of Television Markets" published by *Sales Management* as first of what will be annual studies.

You can expect extensive use of these SM figures to be made by TV industry—broadcasters, reps, networks, agencies, etc.—in all kinds of research studies & promotion campaigns, for they represent important yardstick in modern marketing.

Survey ranks 168 U.S. markets on basis of several characteristics, of which most important is TV. Unlike old methods of market determination on basis of population density, city boundaries, sales territories, newspaper circulation, etc. etc., measure in SM study—in which A. C. Nielsen cooperated—was average number of TV homes in prime-time quarter-hour segments watching stations originating in metro center. Cutoff point was 25,000 homes (exception: Las Vegas, which had 21,000-home figure but had 3 TV stations).

Some major jumps are achieved, both up & down, when TV becomes market yardstick. Prime example in SM survey is Charlotte, N.C., which ranks 93rd in U.S. markets on basis of simple metro-area population (285,000) but which leaps up to 24th place when TV-reached population in Charlotte area (2,291,000) is considered. Tampa-St. Petersburg, Fla. is 49th in usual population list, but 28th in TV terms. At same time, Johnstown-Altoona is often considered as integral part of 10th-ranking population area (because of Pittsburgh), but is ranked at only 27th spot in SM's TV-determined list.

In addition to TV yardstick, such factors as food sales, automotive purchases, furniture & household buying, general retail sales, effective buying income, etc. were used in achieving SM rankings. Not all TV markets are on list; about 50 single-station markets were dropped as home count wasn't above cut-off point.

TV-oriented marketing isn't new concept in either TV research or in actual marketing operations of major U.S. advertisers. A few seasons back, Westinghouse Bcstg. Co. promoted "Megatown" concept for its own TV stations, which stressed that Boston, San Francisco, etc. should be viewed in terms of urban & suburban homes covered by WBC stations in those markets. CBS has frequently stressed marketing areas covered by CBS-TV as basic tool in planning ad campaigns. ARB has been publishing "Market Digest & TV Audience Analysis," which ranks 245 markets by various criteria of which TV is prime, for past 3 years. Virtually every major ad agency has its own list of U.S. markets ranked by TV in combination with marketing patterns of agency's clients. And several major advertisers—notably Anheuser-Busch & Lestoil—have revised sales & marketing territories based on TV coverage rather than old-fashioned concepts of geography, factory sites, and the like.

TV agenda at NAB convention in Chicago March 31-April 3 will include (1) TvB presentation "Computers —Friend or Foe?" (2) Management panel on "The State Image—Local Programming & Public Service." (3) Informal discussion, between FCC Comr. Lee and TV Code Chmn. William Pabst, KTVU Oakland, on former's proposal that FCC adopt Code commercial standards as part of its rules. (4) Management panel discussion on problems of markets smaller than 100,000. (5) TIO discussion on use of its materials and report on upcoming projects.

Growth of over $100 million in national spot TV gross time billings during 1962 as compared to 1961 level is cited proudly by TvB. Figure represents a 17% jump to new peak of $721 million. Spot billings in last quarter of 1962 were nearly $200 million. Unlike network TV, where talent & production costs are often as large (or larger) than gross time cost, spot figure is fairly close to actual dollar spending when modest talent costs in spot (about 15% of time value) are added and time discounts subtracted.

CATV-MICROWAVE DISPUTE: Foretaste of testimony & debate over prospective CATV-regulation bills (Vol. 3:7 p2) may be found in FCC's file of comments on its proposal to grant microwaves to CATV on "business radio service" frequencies.

Telecasters generally want Commission to be tougher than it proposes. For example: (1) ABC, NAB, NBC and many stations want CATV operators, when applying for microwave, to show FCC they have originating stations' consent to pick up signals. (2) FCC proposes that its restrictions on CATVs apply if systems are within Grade A coverage of stations involved. Many stations ask that this be extended to Grade B. (3) FCC says CATVs shouldn't duplicate local-stations' programs for 30 days before & after they're telecast—and stations must give CATVs 30 days' notice of program schedule. Several station comments to Commission urged cutting notice period to 7 days or less. (4) Make CATV stations on same dial position as telecast. (5) Spell out standards for quality of signal of local station which CATV must carry.

NCTA attacked FCC proposal as effort to regulate CATV, "to do what the Senate refused to allow," said that rules would be "used as the greatest tool fashioned in our century to preserve & increase the gains of the vested interests and to roll back the philosophy & contributions to our economy of the anti-trust laws."

Entron Corp. argued that FCC doesn't have power to protect stations as it proposes, that it's impossible to comply with a 30-day non-duplication rule. Midwest Video also insisted that FCC doesn't have the jurisdiction it claims, asserted that proposed rule would interfere with "contractual relationship" between CATV operators & their customers.

■

Conference on news-handling by Administration, sought by NAB Pres. Collins following outcries over "management" of news during Cuban crisis, has been set for April 5-6 at Airlie House, near Warrenton, Va. NAB vp Howard Bell suggested details of conference in discussions with White House News Secy. Salinger. Salinger will be accompanied by top news officers of State Dept., Defense Dept., etc. Among those invited to attend are one or 2 representatives of NAB, RTNDA, Radio-TV Correspondents Assn., ANPA, ASNE, Sigma Delta Chi, National Editorial Assn., Magazine Publishers Assn., White House Correspondents Assn., State Dept. Correspondents Assn.

Assn. for Competitive TV, new uhf-promotion group, holds membership meeting March 31, 4-6 p.m., at Conrad Hilton Hotel, Chicago, during NAB convention. ACT has established hq, headed by Thad H. Brown Jr., vp-exec. dir., at DeSales Bldg., DeSales St. NW, Washington (Metropolitan 8-0210).

Top communications scientists will address 3 luncheon sessions at NAB convention's Broadcast Engineering Conference: April 1, Edward E. David Jr., computing & information research center dir., Bell Labs; April 2, Sidney Metzger, astro-electronics div., RCA; April 3, Simon Ramo, vice chmn., Thompson Ramo Wooldridge.

Senate Commerce Committee added Republican Beall (Md.) to replace Keating (N.Y.), who moved to space committee.

L'affaire Nixon-Hiss was closed by FCC in anticipated fashion. Triangle's WFIL-TV Philadelphia & WNHC-TV New Haven had refused to carry ABC-TV's Howard K. Smith program on Nixon, which included statement by Alger Hiss (Vol. 2:47 p1, 2:51 p7). In addition, a later ABC-TV news program mentioning the controversy was interrupted by WFIL-TV. FCC last week answered complaints of number of viewers who objected to the deletions. Said Commission: (1) In refusing the show, licensee made a judgment which is "properly its to make." (2) News show was interrupted because of misunderstanding of instructions by a "subordinate employee"—and station later telecast the deleted portion.

Precision offset operation, specified by FCC for WTEN (Ch. 10) WAST (Ch. 13) when it granted them permission to move closer to Albany (Vol. 3:7 p2), is remarkably precise. Robert Kennedy, consulting engineer for WTEN, said variation achieved in tests is one cycle in 200 million, produces substantial interference reduction. NBC has used system between its N.Y. & Washington Ch. 4 stations.

Allocation of frequencies to govt. users now comes under Office of Emergency Planning, delegable to Dir. of Telecommunications Management—via order issued by President Kennedy. Heretofore, allocation was job of Interdepartment Radio Advisory Committee. President also gave OEP & Dir. of Telecommunications Management the authority to assign radio frequencies to foreign embassies here, for communication with their home countries.

Higher grades for several top FCC staff members have been approved by Civil Service Commission: GS 18 ($20,000), Edward Allen & James Sheridan; GS 17 ($18-$20,000) Bernard Strassburg, Henry Geller & James Cunningham; GS 16 ($16-$18,000) Arnold Skrivseth, Robert Cox, Hyman Goldin.

Automatic transmitter logging rules have been finalized by FCC, adopted substantially as proposed June 6, 1962. Rules permit use of automatic devices for keeping operating & maintenance logs. NABET petition for a hearing was denied, FCC noting that no change was made in operator requirements.

Radio Liberty launches first Western Hemisphere service with daily broadsides to Russian troops in Cuba, using radio WBT Charlotte. It's also first time this privately-owned network—which broadcasts in 17 languages to Soviet Union & satellites—will use services of independently-owned station.

"Television Network Program Procurement," the 197-page report issued by FCC's Office of Network Study (Vol. 2:50 p2), will be printed under aegis of House Commerce Committee, is expected to be available in a few weeks from Govt. Printing Office.

Two radio stations fined by FCC: KVOB Bastrop, La., $1,000 for airing teaser announcements without identifying sponsor; KVOC Casper, Wyo., $1,500 for holding equipment & program tests without notifying Commission, and for using unauthorized power.

Ch. 77 ETV station, with transmitter in West Orange, studios in Glen Ridge, is sought in application filed by N.J. ETV Corp. Station will radiate 500 kw, use tower of radio WJRZ. Three more stations are planned.

CATV equipment maker Ameco opens new Dallas office at 2516 Pine Bluff, headed by W. E. Dart Jr.

Personals

Julian Bercovici promoted to ABC-TV daytime programming dir. . . . **George H. Newi**, ex-McCann-Erickson daytime programming dir., moves to ABC-TV as asst. daytime sales mgr.

Jack Webb appointed executive in charge of TV production, Warner Bros., succeeding **William Orr**, who takes over feature film production . . . **Lloyd Knight** promoted to public affairs dir., WGAN-TV & WGAN Portland, Me.

FCC Comr. Lee will be key speaker at annual meeting March 7, of California Bcstrs. Assn. in San Francisco. NAB General Counsel Douglas Anello will speak, conduct editorializing panel.

Daniel Taylor, on-air production mgr., CBS-TV, Hollywood, promoted to network station promotion mgr., succeeding **Leonard Broom**, resigned to go to New Zealand. **Gerald Taylor** replaces Daniel Taylor.

Johnny Johnston, ABC-TV *Make That Spare* m.c., also named national sales dir., Official Films . . . **Earl W. Hickerson** promoted to asst. station mgr., KOCO-TV Enid-Oklahoma City.

Film Producers Assn. of N.Y. elects: pres., Peter Mooney, Audio Productions; vp, Robert Bergmann, Filmex; secy., Lou Mucciolo, Gerald Productions; treas., Sanford Greenberg, MPO.

Robert Kleiman, ex-CBS News Paris bureau chief, resigns to become member of editorial board, *N.Y. Times*.

Louie L. Lewis, ex-RCA ETV planning administrator, forms own consulting firm to assist educational institutions in planning & installing electronic systems, with offices at 23 Wesley Ave., Cherry Hill, N.J.

Herman Kenin, pres. of American Federation of Musicians, named vp & member of exec. council of AFL-CIO, filling 1 of 2 existing vacancies.

Richard N. Jacobson, ex-asst. gen. sales mgr., WOR-TV N.Y., named sales mgr., **William McNicol** promoted to sales mgr., radio WOR . . . **John Pfeiffer**, formerly with newspaper rep Moloney, Regan & Schmitt, appointed marketing mgr., Edward Petry & Co. central div., Chicago.

Jon Poston, ex-radio KFEQ St. Joseph, Mo., named news dir., KTIV Sioux City, Ia., succeeding **David Schoumacher** . . . **Edward J. Pfister** promoted to NET information services chief, N.Y. . . . **Mary Neal** promoted to publicity dir., WTRF-TV Wheeling.

Bob Patt, ex-promotion & advertising mgr., WNBC-TV & WNBC, N.Y., named sales promotion & marketing dir., Blair TV. **Dick Gideon**, ex-Young & Rubicam asst. research dir., appointed research mgr.

Richard DuMont, ex-producer-dir., ABC, Chicago, named TV, radio, motion pictures dir., American Medical Assn.

W. Richard Guersey, ex-vp & gen. mgr., Philippine Advertising Counselors, named head of new McCann-Erickson (Philippines) Inc., Manila.

Rex Morgan promoted to news & special events dir., WFIL-TV-AM Philadelphia, succeeding Les Crystal, who joins NBC, Chicago, as documentary writer-producer.

Vic Piano, ex-radio vp, Peters, Griffin, Woodward, opens own rep firm, Vic Piano Assoc., March 1 . . . **Martin Davis** elected adv.-publicity vp, Paramount Films Distributing Corp.

Edward M. Kelly, former operator of direct-mail advertising-promotion firm in Buffalo 1951-1961, joins Television Digest Inc. as gen. mgr. in charge of business operations. He's 39, graduate of Hamilton College, has taken graduate work at Georgetown U., served as industrial relations representative of Mene Grande Oil Co., Venezuela, and as advertising & public relations dir. of Glen Echo Amusement Park, Glen Echo, Md.

Obituary

Morton Wishengrad, 49, veteran TV & radio writer, died Feb. 13 of heart attack at home in N.Y. He scripted NBC's *Eternal Light* for 18 years. Two daughters and 2 sons survive.

■

Race to Space Communications: "Significant progress" towards establishment of single global system of satellite communications has been made by FCC since enactment of Communications Satellite Act last August, FCC Acting Chmn. Hyde told Senate Communications Subcommittee last week. Hearing was called for status report.

Comr. Craven predicted that operational space system could come by 1966-67. This view was supported by James Dingman, AT&T vp, who said commercial system could be ready by 1967.

Based on results of Telstar experiment, Eugene O'Neill, Bell Labs dir., said "there does not appear to be any technical obstacle to designing a communications satellite repeater with a life of 5 to 10 years in orbit." Significance of Relay & lost Syncom satellite also were reviewed.

Need for "broadest possible international agreement" on frequency allocation was stressed by Hyde, who said Commission will have "realistic" proposals to offer at international conference Oct. 7 in Geneva.

Commission last week authorized 7 smaller telephone companies to buy stock in company. Hyde noted that some 2,700 independent companies are eligible, 24 having already made application.

Pastore asserted that millions of dollars of taxpayers money were being spent on experiments that may be turned over free to a private monopolistic firm for profit-making purposes. Substantial part of hearings was taken up by Committee criticism of FCC for rate increases affecting news services & "short haul" phone calls.

■

Early lock-up for fall of CBS-TV nighttime schedule was subject of letter from Pres. James T. Aubrey Jr. to network affiliates last week. He said it was first time CBS had firmed-up fall lineup "so early in the year," hinted broadly that knowledge of new schedule should help stations "speed up clearances so essential to continued audience leadership" & aid broadcasters in "mapping your own local programming & sales plans for next fall." Newcomers to CBS lineup include shows packaged around Danny Kaye, Judy Garland & Phil Silvers, and a new filmed-in-N.Y. series, *East Side, West Side*, starring George C. Scott.

KHOL-TV Kearney-Holdrege, Neb., is now operating from improved facilities—boosting antenna from 552 to 1,173 ft., power from 204 to 316 kw.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

RCA SHOWS 19-IN.-ONLY PORTABLE TV SETS: First 1963-64 portable TV line debuted last week, and it went 19-in. all the way. RCA's largest portable line ever totaled 8 models starting at $149.95, plus "unofficial" open-list entry that distributors can thrust into competitive situations to sell, we understand, in neighborhood of $140. Unlike official models, optional portable does not contain RCA's "New Vista" tuner, will not be shown in literature, won't be included in national ad program.

Gone at long last from RCA line is 17-in. portable, and somewhat-expected 16-in. models failed to materialize. Bottom-of-line Highlander at $149.95 is priced on par—on paper, at least—with year-ago tailender. However, 1962-63's $149.95 set was reduced in distributor cost shortly after introduction and rode out season at $139.95. As with 1962-63 line, models step-up in $10 segments to $179.95. Two remote models are included in line: open-list Wayfarer & $239.95 Campaigner. All manually-operated models can be factory-installed with all-channel tuner for $20 more. Number of sets have power transformers vs. one a year ago.

RCA Sales Corp. mktg. vp Raymond W. Saxon told distributors at St. Louis meeting that portable TVs will account for more than 65% of industry's total 1963 b&w TV unit sales, and, amid indications that profit margins have been increased, said "it's time for distributors & dealers to get a better return on their portable & TV & radio investment."

RCA also introduced 5 transistor radios, priced from $14.95 to $34.95, gift packaged. Carryovers run top-of-the-line price to $49.95. "We have found the transistor radio market to be essentially one of certain popular price brackets," Saxon said. "One of our recent surveys indicated that consumers favored transistor radios with accessories in the approximate $20 & $30 price range."

FM CAR RADIOS ROLLING—BUT SLOWLY: Consumer interest in FM car radios is on rise, but this relatively new market can be expected to grow slowly over next few years. Into foreseeable future it will remain but a fraction of over-all car radio volume, keyed to ratio of AM to FM stations. That's consensus of FM car radio manufacturers for both OEM & after markets whom we interviewed.

Size of current FM car radio market is pretty much anybody's guess. However, one conservative estimate (Vol. 3:1 p9) is that 55,000 FM auto sets were sold last year—out of total 7.2 million car radios—and volume will nearly double to 100,000 this year. Granco Pres. Henry Fogel told us "fewer than 100,000 FM car radios were sold in 1962, and the figure probably was no higher than 70-80,000." He believes volume will climb to 150,000 to 200,000 units this year.

This is really first big year for FM-AM car radios. Tuners & adaptors have been around for several years. Motorola got into field in 1960 with an FM-only unit, and German & Italian imports began to pick up in 1961-62. Last year, however, was first year that major U.S. radio makers got into FM-AM car radio market. Today, FM-AM radios are available as original equipment on virtually all models of Ford, General Motors & Chrysler cars (Vol. 2:45 p9). Prices average about double those for standard AM car radio.

Bendix, volume car radio maker & Ford supplier, has scheduled about 5% of its 1962-63 production in FM-AM models. "It's going to be a slow buildup," we were told by Radio Div. sales mgr. Larry H. Jones. "I don't think there's going to be much of a rise in demand in a year. Two years hence we might see a rise. For the next 5 years I think it's going to be a slow rate of growth." Bendix is making its FM-AM radios for Ford & Volkswagen.

Ford's factory installations of FM-AM radios, we learned, have averaged 3% on all 1963 Galaxies produced to date, range up to 17½% on Thunderbirds. However, Ford told us, "installations on the T-Birds

have leveled off at better than 20% in the last 3 months, indicating that these cars will do better than 17½% for the year."

Delco, probably largest maker of car radios, told us "there's obviously a growing interest in FM car radios but we won't be able to assess this interest until after the year's sales results are in. FM-AM radios won't be a heavy portion of our production this first year." Delco is making radios for GM & Chrysler.

Motorola, another car radio major, and reportedly first U.S. maker to introduce FM-only car unit, told us "we're watching the growth of FM radio stations very closely." Motorola currently markets $125 FM-only car radio & $69 tuner package for use with car's AM radio.

Automatic Radio Mfg., which makes line of universal & custom FM-AM car radios, is "expanding our line this year," we were told by sales mgr. Edward L. Housman. "Last year, FM was a negligible percentage of total car radio sales," he said, "but it will certainly be a growing figure this year."

Granco looks for "promotion by OEM manufacturers to help establish this new trend to FM car radios," Henry Fogel told us, adding: "We haven't yet scheduled any increase in production. We're waiting for the sales to materialize. This is a bad time of the year for auto accessories. The big demand usually comes in the spring." Granco makes an FM adaptor that converts a car's AM radio for FM. It's sold in car agencies & in auto supply and installation stores.

Two factors rate as major deterrents to sudden mass market for FM car radios: price & customer dissatisfaction. Because FM-AM radio is actually 2 radios in 1, price is 2 to 2½ times higher than for AM-only car radio. Motorists may be agreeable to paying price, but only if they understand that FM car radio has certain drawbacks.

"FM in the car is not the same thing as FM at home," Bendix's Jones told us. "It's not comparable. Not only do you have station range & antenna limitations to contend with, FM in a moving car passes through a series of phenomena. This affects reception adversely. People who appreciate FM in a car are those who are technically knowledgeable & understand its limitations. Those who don't understand, and are educated only to FM in the home, will be disappointed. They're disappointed now."

9 STATES REQUIRE UL SAFETY APPROVAL: Proof of safety is required for sale of TVs, radios & phonos in at least 9 states, recent survey discloses. In most cases, Underwriters' Lab seal is required. In addition, at least 4 major cities also insist that sets must pass safety inspections.

There's been increasing interest in this subject because most imports don't carry UL seal (although many importers claim their products meet same safety specs). While UL has plans to set up labs in Japan, best information indicates it has no facilities there yet.

Survey by EIA shows UL listing (or similar safety approval) is required by states of Ala., Colo., Del., N.H., N.C., Tenn., Wash., W.Va., & Wis. Five additional states declined to specify whether or not they had such laws: Ark., Conn., N.M., Okla. & R.I. Remaining 36 states said they had no such laws on their books.

Some cities in the 36 states without such regulation have their own TV-radio-appliance safety laws. Prime example is Los Angeles, which has own lab & own safety requirements, but doesn't require UL approval as such. Others are Richmond, Va.; Cleveland, O.; Portland, Ore. In some cities, and possibly some states, approval by Los Angeles city lab carries as much weight as UL seal, and importers have used L.A. approval as proof of safety in cities such as Cleveland.

Major "key-account" customers, such as Macy's, Gamble-Skogmo & Sears Roebuck, have their own labs, and check equipment for performance as well as safety before ordering.

Safety requirements weren't of major importance to consumer electronics importers until they entered TV field, since safety approval isn't required for transistor radios, which operate on low voltage.

Looking at list of the 9 states which require approval, it's obvious that none of these is big enough to be vital to TV importers. Nevertheless, Japanese manufacturers who export are looking hopefully to the day when they can get UL seal at their own home base.

GT&E TRANSMITS TV VIA LASER BEAM: Long-range look at unique TV system with potential for simultaneously transmitting more than 160 TV programs, compared with 10 via conventional techniques, was furnished by GT&E last week. In what is believed to be a "first," lab model of new communications system transmitted & received TV pictures on a light beam generated by a laser device.

Cautioning that 5-10 years of research & development are required before system "can be considered for application on a practical basis," GT&E Labs Pres. Dr. Lee L. Davenport pointed out: "The method of optical laser communications demonstrated establishes the ultimate potential of optical links [but] a number of scientific breakthroughs are required before earth-to-earth communications can be considered feasible." Among major problems to be solved: long-distance transmission of laser beams.

In demonstration at GT&E Bayside, L.I. labs, conventional TV signal & continuous microwave signal were applied to traveling wave tube. Resultant video-modulated microwave signal was fed into electro-optic light modulator through which laser beam was being projected. When laser beam emerged from modulator it carried video information superimposed on microwave signal. Transmitter beam was relayed to experimental optical receiver in same room, and the detected video picture was shown on TV monitor.

Key receiver component is Sylvania-developed traveling wave tube photodetector. It converts laser light signals into microwaves which are amplified, demodulated & displayed on TV picture tube. Photodetector was designed by Dr. Burton J. McMurtry, head of Sylvania Microwave Device Div.'s optical device dept., and Prof. Anthony E. Siegman, Stanford U. electrical engineering dept.

TV-RADIO PRODUCTION: EIA statistics for week ended Feb. 15 (7th week of 1963):

	Feb. 9-15	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
TV	142,838	137,780	135,567	910,665	902,035
Total radio	313,074	333,793	273,224	2,192,871	2,432,286
auto radio	142,792	151,488	121,117	1,011,692	887,302

Crestmark Electronics Inc. has been established at 170 Michael Dr., Syosset, N.Y. as a division of Vanity Fair Electronics, to produce & market radio-phonograph consoles under Crestmark label. Stanley Cohen is division pres. Other executives: Seymour Mintz, recently resigned Madison-Fielding gen. mgr. (Vol. 3:4 p13), sales vp; Leonard Feldman, former Madison-Fielding engineering dir., engineering vp. Mintz also will serve as sales vp of Vanity Fair's Gotham Electronics Div., maker of Gotham brand portable radio-phonos.

Portable color TV sets within 18-24 months were predicted last week by Admiral sales vp Ross D. Siragusa Jr. "It's now in sight," he said, but "we'll need 19-in. tubes" to make prediction a reality. He said Admiral's color sales "so far have doubled the first month of 1962," added that Jan. TV sales gained 7%, and stereo sales "currently are running close to 70% ahead." Siragusa also said Admiral "will have a new 16-in. portable weighing less than 25 pounds on the market" in March.

Motorola has licensed Caracas-based Casa Ultramar Carlos A. Blohm to assemble & distribute Motorola TVs, radios & phonographs in Venezuela. Motorola will furnish parts & technical assistance to licensee with 70 principal dealers in 15 cities.

Zenith has introduced as 45th anniversary specials for spring promotion 2 console color TVs, 4 b&w consoles, an AM/FM/FM stereo table radio with $139.95 list. Suggested lists for TVs were not announced.

Consumer buying plans for home instruments & appliances are up over last year, Jan. poll of 17,000 families by Census Bureau showed. Preliminary report indicated that 16.3% of surveyed families plan to buy within 6 months one or more of 8 household items, including TVs, radios, phonos. This compares with Jan.-1962's 15.2%.

FM stereo facilities were incorporated in nearly 46%, or 767,539 of 1,677,385 TV-radio & radio-phono combinations produced in 1962, EIA reported. About 55%, or 162,208 of 298,816 TV-radio combos were capable of receiving new broadcast service, as were some 44%, or 605,331 of 1,380,569 radio-phono combos.

Philco's newest customer for TV-radio line is Gimbel's, Pittsburgh, Consumer Products Div. vp-gen. mgr. Larry H. Hyde reported, adding: "We feel that the presentation of our products in Gimbel's will add an immense amount of prestige to our line."

Emerson Radio will promote new 16-in. portable TVs with spring ad campaign built around weekly insertions for 9 weeks, beginning first week in March, in *Life*, *Look*, *SatEvePost*.

Sylvania will display at March 25-28 IEEE Convention new silicon micropower transistor "believed to be the world's fastest switch."

Blonder-Tongue Labs has introduced new closed-circuit TV camera, Observer-2, with 8-inch viewfinder screen. It's available in 3 models priced from $4,225 to $4,995.

Trade Personals

Dr. Alexander Ellett appointed Zenith special projects vp, a new post, succeeded as research vp by Dr. Robert Adler; Dr. Bertrand Miller named asst. research dir., Erwin M. Roschke asst. dir. & administrative mgr. of research, both new posts.

Ross Siragusa Jr., formerly sales vp of Admiral Sales Corp. which has been dissolved, named Admiral sales vp; Carl Lantz, Sales Corp. pres., becomes Admiral mktg. vp.

Frank B. Rogers Jr. resigns March 9 as Reeves Soundcraft exec. vp, will continue as consultant; John S. Kane appointed vp-gen. mgr. of Magnetic Tape Products Div.

C. Harvey Bradley, a P. R. Mallory dir., elected exec. committee chmn.; Charles A. Barnes, administrative vp, elected a dir. Elections fill vacancies created by Feb. 12 death of Joseph E. Cain in plane crash (Vol. 3:7 p11).

William E. Knox named Westinghouse Electric International chmn., succeeded as pres. by Jose de Cubas.

John J. Scanlon, AT&T planning & revenue vp, also named treas., succeeding L. Chester May who resigns Feb. 28.

Sol Sparer elected pres. & chief exec. officer of Pacotronics Inc., Glendale, N.Y. maker of hi-fi kits & other electronic instruments and test equipment, succeeding Solomon Weingast, who continues as chmn.; Sy Diamond appointed mktg. dir., Victor I. Robinson engineering dir., a new post.

John J. Graham, ITT vp & North American area gen. mgr., and Ted B. Westfall, vp & Latin America area gen. mgr., elected ITT dirs.

Charles C. Ellis, onetime Ford, appointed Philco asst. controller, succeeding T. A. Turner, named Philco Western Development Labs controller.

John A. Henning appointed Allied Radio quality standards mgr., a new post . . . Kenneth L. Freeland, ex-Zenith and General Dynamics, joins Symphonic Electronic as national service mgr., headquartering at Lowell, Mass. . . . Joseph E. Baker appointed Adler Electronics distributor sales mgr., Industrial Products Div.

J. S. Webb, Thompson Ramo Wooldridge vp, named head of electronic components activities, succeeding Warren B. Hayes, resigned . . . Edmond A. Roelof, ex-Eldon Industries mfg. vp, appointed mfg. vp of Pacific Industries' Midland Mfg. Co. Div., a new post.

Donald A. Strauss appointed Beckman Instruments employe relations vp.

F. J. La Manna named pres. of Phillips Electronics & Pharmaceutical Industries' new Industrial Circuits Co. Div.

Obituary

George Elmer Pingree, 86, retired 1925-1936 pres. of ITT's International Standard Electric Corp., renamed from International Western Electric, died Feb. 16 in Portland, Me. after 2 years of failing health. He joined Western Electric in 1903, served as managing dir. of company's English firm in London from 1909 to 1919, and was vp, dir. & gen. mgr. of International Western Electric when it was purchased by ITT in 1925.

Distributor Notes: Emerson Radio appoints 3 new regional managers, all ex-Webcor—Frank Augustin, hq South Bend, Ind.; John Phillips, Houston; Samuel Ball, Kansas City, Mo.

■

Corporate profits "probably reached a peacetime record" in 1962's final quarter, reported Feb. 20 *Wall St. Journal*, "and in the current 3 months they seem likely to continue close to that rate." Aggregate earnings of 538 companies in Oct.-Dec. period rose 11.3% from 1961's Dec. quarter to $3.609 billion from $3.244 billion. Combined earnings of 24 electronics-electrical equipment firms rose 6.6% to $62.5 million from $58.7 million. Of these, 13 were specialty companies. Their earnings soared 25.7% to $11.2 million from $8.9 million. Other 11 were broad-line companies, and their income gained 3.2% to $51.3 million from $49.7 million.

GE billed record sales in 1962 & posted 2nd-highest earnings (see financial table), Chmn. Ralph J. Cordiner reported. Earnings rose to $265.8 million from 1961's $242.1 million as sales jumped to $4.793 billion from $4.457 billion. He said 1962 earnings failed to duplicate sales' record performance because of continuing squeeze between increasing costs & depressed prices. Cordiner said sales of consumer goods & industrial equipment showed healthy gains, but added: "GE products on the average are now selling at price levels that prevailed in the 1953-55 period, in spite of greatly improved product features & performances."

Mergers & acquisitions: Advance Ross Electronics, Chicago maker of TV components, will be acquired for stock by diversified H. M. Byllesby & Co. if former's stockholders approve at April 24 meeting. Byllesby presently owns 32% of Advance Ross stock, would acquire balance in 1-for-1 exchange for Byllesby common • United Artists will acquire film-producer Mirisch Co. next month for 62,069 shares of Class B common stock • Wometco Enterprises has acquired for stock Shanks Distributing Co., Columbia, S. C., will operate vending & in-plant feeding firm as subsidiary.

Republic Corp.'s earnings in 1963's first fiscal quarter, ended Jan. 26, climbed to approximately $540,000 from $414,696 a year earlier as revenues rose to $11 million from $10.7 million. Chmn. Vincent A. Carter forecast for total fiscal year, ending next Oct. 2, per-share earnings of "around 80¢ to 85¢" (vs. fiscal-1962's 56¢) & sales of $45 million (vs. $43.3 million). Part of profit gain, he said, will stem from firm's leasing agreement with CBS, effective May 1, for Republic's 70-acre North Hollywood Studio. Property lost $150,000 for Republic last year, will earn some $90,000 on the lease.

Packard Bell Electronics is negotiating to sell $5 million in convertible debentures to Electronics International Capital Ltd., Bermuda-based investment firm headed by Charles E. Salik, Feb. 20 *Wall St. Journal* reports, adding: "Packard Bell's long-term debt consists of $1.6 million in mortgages on land & buildings. Its short-term bank borrowings total $11 million." Packard Bell dropped plans after market drop last year to offer some $5 million in convertible debentures publicly (Vol. 2:20 p12).

Loral Electronics has been listed for trading on New York Stock Exchange. Symbol: LOR.

Officers & Directors stock transactions as reported to SEC for Dec.:

AB-PT. Simon B. Siegel sold 2,500, held 6,626.

Allied Artist. Roger W. Hurlock bought 500, held 36,600.

Ampex. Herbert L. Brown bought 1,125, held 4,923. Robert L. Pappas sold 1,000 in Nov., held 39. Robert Sackman bought 5,250 in Nov., held 17,250. Walter Selsted bought 1,500 in Nov., held 5,125.

Arvin Industries. Eugene Anderson bought 150, held 743. Eldo Stonecipher bought 300, held 2,950.

CTS Corp. Emil Schram sold 160, held 1,090.

Clevite. S. J. Begun bought 500, held 8,000. Matthew Fleming Jr. bought 500, held 1,630. O. P. Gokay bought 1,000, held 2,800. William Laffer bought 2,200, held 5,183. C. Carver Pope bought 100, held 400. Wilbur Prescott bought 167, held 1,000.

Decca Records. MCA bought 15,100, held 1,322,815.

Electro-Voice. Walter Schirmer bought 300 in Jan., held 1,350.

Emerson Radio. Louis Abrams sold 2,083, held 46,994.

Fairchild Camera & Instrument. John Carter sold 38,000, held 41,676. Edgar Hill sold 3,000, held 1,000.

Hoffman Electronics. C. E. Underwood bought 1,000, held 7,100.

Lear Siegler. Robert Gollhardt bought 129, held 382.

Macfadden-Bartell. David Bartell bought 6,250 in Nov., held 325,907. Gerald Bartell bought 7,358 in Nov., held 326,629. Lee Bartell bought 6,250 in Nov., held 324,611. Melvin Bartell bought 6,250 in Nov., held 118,567.

Magnavox. Warren Frebel sold 587, held 3,014. David Martin sold 200, held 3,304. Albert Nelson bought 211 in Nov., held 373. Gerald Ungaro sold 5,000, held 31,621.

Metromedia. Marcus Austad bought 200 in Nov., held 9,950.

Motorola. Edward R. Taylor sold 300, held 7,300.

National Video. A. D. Giacchetti sold 1,000 Class A, held 333.

Packard Bell Electronics. Robert S. Bell sold 4,300, held 8,480.

Pentron Electronics. R. L. Moxley sold 1,000, held 194,380. Theodore Rossman sold 1,000 in Nov., 1,000 in Dec., held 111,000.

RCA. Douglas Lynch bought 2,653, held 2,742. T. A. Smith bought 2,000, held 6,086. W. W. Watts bought 8,701, held 11,866. Robert Werner bought 637, held 4,969.

Reeves Bcstg. & Development. Morris Schechter bought 200 in Nov., held 300.

Republic Corp. Victor M. Carter bought 5,800, held 55,800.

Rollins Bcstg. O. Wayne Rollins bought 100 in Nov. as guardian, held 7,780; sold 1,000 Class B, held 609,400.

Terminal-Hudson Electronics. Irwin Hecht sold 1,000 in Nov., held 7,500.

Texas Instruments. Jay Rodney Reese bought 500, held 1,905. H. J. Wissemann bought 2,000, held 6,922.

Thompson Ramo Wooldridge. James H. Doolittle sold 200 in Nov., 650 in Dec., held 13,281. Dean E. Wooldridge sold 500, held 37,007.

TraVler Industries. Hubert Larson bought 200 in Nov., held 875.

Warner Bros. Wolfe Cohen sold 5,000, held 10,000. Benj. Kalmenson sold 20,000, held 30,000. Herman Starr sold 27,000, held 7,300. Stephen Trilling sold 15,000, held 18,500.

Webcor. Robert Moffat bought 175, held 880. Robert Woodward bought 100 in Nov., sold 100 in Dec., held 405.

Zenith. Albert J. Franczak sold 320, held 1,040.

Reports & Comments: Magnavox, analysis, Schweickart & Co., 29 Broadway, N.Y. 4 • **Avco,** analysis, Dreyfus & Co., 50 Broadway, N.Y. 4 • **International Resistance & Sprague Electric,** analysis, L. F. Rothschild & Co., 120 Broadway, N.Y. • **RCA,** analysis, Reynolds & Co., 120 Broadway, N.Y. 5 • **CBS & Walt Disney Productions,** discussions, Bache & Co., 36 Wall St., N.Y. 5 • **AT&T and Columbia Pictures,** comments, D. H. Blair & Co., 42 Broadway, N.Y. 4 • **Fairchild Camera & Instrument,** comments, H. Hentz & Co., 72 Wall St., N.Y. 5 • **AB-PT,** comments, Josephthal & Co., 120 Broadway, N.Y. 5 • **Standard Kollsman & Loral Electronics,** comments, Edward A. Viner & Co., 26 Broadway, N.Y. 4 • **AT&T,** comments, Bruns, Nordeman & Co., 52 Wall St., N.Y. 5 • **Wellington Electronics,** prospectus, Wellington Electronics, 65 Honeck St., Englewood, N.J. • **CBS,** analysis, Orvis Brothers, 15 Broad St., N.Y. 5 • **GT&E,** review, Courts & Co., 11 Marietta St. N.W., Atlanta 1 • **Walt Disney & Corning Glass,** reports, W. E. Hutton & Co., 14 Wall St., N.Y. 5 • **Emerson Electric,** prospectus, Blyth, 14 Wall St., N.Y. 5.

TV-Electronics Fund's recovery from 1962's market break has been "particularly sharp" in recent weeks and "is accelerating," reported vp John Hawkinson, who's also pres. of TV Shares Management Corp. He said Chicago-based mutual fund's net assets declined to some $376 million ($7.31 a share) at close of first fiscal quarter, Jan. 31, from $439.8 million ($8.56) a year earlier. However, assets were up markedly from $6.07 low following market drop.

Sonic Electronics 27½% Chapter 11 plan (Vol. 3:6 p11) has been approved by creditors' committee, it was reported at hearing before Referee Asa S. Herzog last week. Plan would start 60 days after confirmation, be payable in 48 equal monthly instalments. Hearing was adjourned to March 21. Sonic, N.Y. maker of phonographs & hi-fi equipment, earned $26,347 from Feb. 1962 through Jan. 31, 1963, company counsel said.

RCA Chmn. David Sarnoff sold 20,000 shares of RCA common in Jan. "to discharge a private indebtedness & to adjust my personal affairs," he noted in report to N.Y. Stock Exchange. Sarnoff still owns 30,745 RCA shares, or "7,288 shares more than I had a year ago," he said.

Closed-circuit TV system for Eastern Air Lines at Logan Airport (Boston) has 4 channels, uses flying-spot scanner to pick up arrival & departure information. The 8- & 27-in. monitors were supplied by Conrac, scanners by TV Utilities Corp., switching equipment by General Communications Div., EMI/US Ltd.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Consol. Electronics	Q	$0.25	Apr. 5	Mar. 20
Emerson Radio	Q	.10	Mar. 20	Mar. 6
GE	Q	.50	Apr. 24	Mar. 15
Republic Corp.	Q	.25	Apr. 1	Mar. 15

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Ampex	1963—9 mo. to Jan. 31	$ 66,789,000	—	$ 3,163,000	$0.40	7,812,532
	1962—9 mo. to Jan. 31	58,808,000	—	1,311,000	.17	7,785,707
	1963—qtr. to Jan. 31	23,669,000	—	994,000	.12	7,812,532
	1962—qtr. to Jan. 31	22,328,000	—	819,000	.11	7,785,707
AT&T	1962—year to Dec. 31	8,980,208,000[1]	—	1,388,175,000[1]	5.79	239,586,722
	1961—year to Dec. 31	8,414,426,000	—	1,284,586,000	5.52	232,627,389
Barnes Engineering	1962—6 mo. to Dec. 31	4,664,593	—	89,290	.24	372,050
	1961—6 mo. to Dec. 31	3,418,471	—	152,691	.41	372,050
Bendix	1962—qtr. to Dec. 31	209,261,562	$ 11,264,686	5,156,610	.95	5,423,808
	1961—qtr. to Dec. 31	187,741,209	11,513,376	5,041,782	.94	5,390,926
Canadian Marconi	1962—year to Dec. 31	—	—	1,553,900	.34	4,554,682
	1961—year to Dec. 31	—	—	48,572[11]	.01	4,554,682
Canadian Westinghouse	1962—year to Dec. 31	—	—	1,230,605	2.01	—
	1961—year to Dec. 31	—	—	(2,607,340)	—	—
Eitel-McCullough	1962—year to Dec. 31[2]	—	—	750,000	.40	1,842,288
	1961—year to Dec. 31	—	—	486,671	.26	1,842,288
Electronic Associates	1962—year to Dec. 31	21,306,000	—	1,821,000	2.01	907,719
	1961—year to Dec. 31	18,684,000	—	1,112,000	1.20	924,314
Electronics Capital Corp.	1962—6 mo. to Dec. 31	987,452	399,167	13,495	.01	2,449,852
	1961—6 mo. to Dec. 31	877,480	351,198	19,411	.01	2,449,852
Erie Resistor	1962—year to Dec. 31	—	—	1,032,449	1.14	798,806
	1961—year to Dec. 31	—	—	495,050	.49	798,806
Federal Pacific Electric	1962—6 mo. to Dec. 31	47,844,741	1,503,709	726,709	.13[3]	2,420,991
	1961—6 mo. to Dec. 31	48,507,868	3,311,090	1,954,690[4]	.60[3]	2,371,127
	1962—qtr. to Dec. 31	24,001,135	774,271	406,271	.08[3]	2,420,991
	1961—qtr. to Dec. 31	24,425,994	1,558,809	912,409[5]	.27[3]	2,371,127
Gabriel	1962—year to Dec. 31	31,649,503	—	1,032,594	1.40[3]	735,000
	1961—year to Dec. 31	30,304,892	—	591,049	.82[3]	678,238
GE	1962—year to Dec. 31	4,792,732,530[1]	521,596,376[6]	265,843,769	2.97	89,453,687
Story on p. 10	1961—year to Dec. 31	4,456,815,169	495,094,242[7]	242,078,957	2.72	88,962,489
	1962—qtr. to Dec. 31[8]	1,309,579,000	—	86,348,000	—	89,453,687
	1961—qtr. to Dec. 31[8]	1,316,954,000	—	91,506,000	—	88,962,489
Hewlett-Packard	1962—year to Oct. 31	109,167,354	14,572,486	7,089,343	.62[9]	10,800,557
	1961—year to Oct. 31	87,266,934	11,946,704	6,037,361	.53[3]	10,660,698
Industrial Electronic Hardware	1962—9 mo. to Dec. 31	4,592,675	—	68,428	.10	716,307
	1961—9 mo. to Dec. 31	3,482,060	—	101,033	.14	661,199
International Rectifier	1962—6 mo. to Dec. 31	8,769,398	866,603	510,369	.21	2,414,542
	1961—6 mo. to Dec. 31	7,748,801	1,116,353	555,343	.23	2,412,028
Lab for Electronics	1963—9 mo. to Jan. 5	45,547,000	789,000	294,000	.22	1,298,087
	1962—9 mo. to Jan. 5	44,350,000	1,093,000	445,000[9]	.34[9]	1,298,087
Lafayette Radio & Electronics	1962—6 mo. to Dec. 31	15,974,879	—	482,092	.45	1,061,675
	1961—6 mo. to Dec. 31	12,131,076	—	338,897	.32	1,061,675
MPO Videotronics	1962—year to Oct. 31	8,231,917	189,631	102,631	.22	468,600
	1961—year to Oct. 31	8,328,662	375,688	210,688	.50	420,000
National Union Electric	1962—year to Dec. 31[2]	39,488,498	—	1,151,694	.20	5,747,479
	1961—year to Dec. 31	36,517,713	—	962,214	.17	5,747,479
	1962—qtr. to Dec. 31	11,170,559	—	294,073	.05	5,747,479
	1961—qtr. to Dec. 31	10,702,619	—	480,907	.09	5,747,479
Screen Gems	1962—6 mo. to Dec. 29	—	3,262,826	1,655,508[1]	.65	2,538,400
	1961—6 mo. to Dec. 29	—	2,744,741	1,372,727	.54	2,538,400
Seeburg	1963—qtr. to Jan. 31	12,523,258	472,850	472,850[1]	.25	1,891,454
	1962—qtr. to Jan. 31	11,728,923	222,530	222,530[12]	.11	1,964,802
Spencer-Kennedy Labs	1962—6 mo. to Dec. 31	963,177	98,545	68,345	.31	216,965
	1961—6 mo. to Dec. 31	794,801	118,807	72,288	.33	216,965
Texas Instruments	1962—year to Dec. 31	240,692,588[1]	16,380,830	8,557,200	2.13	3,948,238
	1961—year to Dec. 31	233,223,325	19,892,199	9,446,386	2.36	3,944,575
Transitron Electronic	1962—13 wks. to Dec. 29	6,033,624	—	(297,101)[10]	—	7,503,368
	1961—14 wks. to Dec. 30	7,737,258	—	211,948	.03	7,503,368
Tung-Sol	1962—year to Dec. 31	64,683,240	—	842,139	.68	926,826
	1961—year to Dec. 31	65,946,154	—	1,510,577	1.40	925,858
Western Electric	1962—year to Dec. 31	3,762,000,000	—	135,216,000	—	—
	1961—year to Dec. 31	2,608,000,000	—	122,244,000	—	—

Notes: [1] Record. [2] Preliminary. [3] After preferred dividends. [4] Includes $563,122 non-recurring income. [5] Includes $323,722 non-recurring income. [6] Includes GE Credit Corp. net of $8,666,884. [7] Includes GE Credit Corp. net of $9,539,960. [8] Indicated. [9] Before special credit of $108,000 (9¢ a share). [10] After $315,000 tax credit. [11] After $1.3 million loss from TV operations. [12] Before $150,000 tax credit.

NAB LIBRARY
MAR 4 1963

WEEKLY **Television Digest**

MARCH 4, 1963 **NEW SERIES VOL. 3, No. 9**

Albert Warren, Editor & Publisher, 2025 Eye St., N.W., Washington 6, D. C. Phone: 965-1985
David Lachenbruch, Managing Editor, 580 Fifth Ave., New York 36, N.Y., Circle 6-2215
Harold Rusten, Associate Editor, 111 Beverly Rd., Overbrook Hills, Philadelphia 51, Pa., Midway 2-6411
Michael H. Blake Jr., Assistant Editor, Washington. **Charles Sinclair, Contributing Editor,** New York
Edward M. Kelly, General Manager, Washington

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

BIG BROADCAST WEEK IN WASHINGTON: Broadcasters & allied services executives parade to Capital for hearings into ratings, lifting equal-time restrictions, TV-radio coverage of committee hearings (p. 1).

NEW FACTBOOK—INDUSTRY'S BASIC REFERENCE—in mails next week, including ARB circulation data, contour maps, dozens of updated directories and statistical compilations (p. 2).

STATE PRESIDENTS HEAR MORE MILITANT NAB in Washington conference, demand 'qualified broadcaster' on FCC, applaud campaign to eliminate Sec. 315 and lift courtroom ban (p. 2).

FULL-TIME THEATER NETWORK of closed-circuit colorcasts planned by National General Corp. using GE Talaria light-valve projectors with new color techniques; precurser of pay-TV network seen (p. 3).

BIGGEST GROWTH SINCE 1956 was clocked last week by TvB in report on 12-month gross time billings figures of 3 networks, 1961-62. Jump was 12.2%, total gross neared $800 million (p. 4).

ABC TO RESCUE OF DROP-INs, says there's 'misconception' that it would switch programs to uhfs in 8 markets if vhfs aren't added. N.Y. Regents seek 17 more uhf ETV reservations. Airborne group supplies engineering for permanent system (p. 4).

MINOW BRIEFS SENATE, outlines progress of ETV, all-channel set law, AT&T regulation before Communications Subcommittee (p. 6).

Consumer Electronics

TINYVISION HEATS UP: Sony slashes $40 from list price of 5-in. battery set; other importers expected to meet competition. Westinghouse tests 6-in. Mitsubishi transistor set as possible import (p. 7).

PROFILE OF A TV DISCOUNTER: Analysis by Audits & Surveys Inc. finds 76% of discount houses sell TVs, radios & phonos, and that 66% of discounters operate in fair trade states, 51% offer credit facilities, 35% provide delivery service (p. 8).

SINGLE-CHANNEL FM SETS, merchandised through stations, strike paydirt for Auditron Corp., which has sold 45,000 in 8 months. New byproducts: weather radio, multiplex for doctors (p. 8).

NEW RECORDING SYSTEMS, announced by RCA Victor & Columbia Records, help assure better disc tracking, higher fidelity, 'improve apparent quality of phonos' (p. 10).

IEEE AT FRONTIERS of electronics at upcoming convention, keyed to microcircuits, space, microwave (p. 10).

RCA & ZENITH AT PEAK: Both set 1962 record sales & earnings. RCA profit rose 45% to $51.5 million on 13% sales climb to $1.752 billion. Zenith earnings jumped to $19.6 million from 1961's $18 million on 14% sales gain to $312.2 million (p. 11).

PHILCO REGAINS VIGOR: Consumer Products Div. is approaching breakeven point & 2 of 4 key divisions which were losing money when Ford took over are now in black (p. 11).

BIG BROADCAST WEEK IN WASHINGTON: Like Harvard professors, out-of-town executive talent will parade to Washington—mostly from N.Y., mostly broadcast-connected. Reason: ratings, right to cover House committee hearings, and removal of equal-time restrictions for 1964 elections.

(1) Biggest & most newsworthy clambake will be House Special Investigations Subcommittee hearings into rating services, under Chmn. Harris (D-Ark.).

It will last 2½-3 weeks, with witnesses from all segments of industry. NAB's Gov. Collins will be first Tues., followed by FTC Chmn. Dixon, ABC-TV's Thomas Moore, NBC-TV's Walter Scott, CBS-TV's James Aubrey, CBS Radio's Arthur Hayes, NBC Radio's William McDaniel, ABC Radio's Robert Pauley, Mutual's Robert Hurleigh. Heads of rating services are not expected until March 11. TV producers, TV-radio station executives & owners also will be called in all-embracing probe. No definite decision made on ad agency or client witnesses, although committee has been in touch with them.

(2) House Rules Committee Tues. morning hears Rep. Harris on his resolution, introduced last week, to open House committee meetings to TV-radio coverage. Harris move was cheered by industry leaders. Special NAB effort last fall was directed at House leadership, including Rep. Smith (D-Va.), Rules Committee chmn.

Broadcast coverage under Harris resolution would leave it up to each committee (& subcommittee) to decide by majority vote for or against such coverage; no witness could be forced to submit to TV-radio against his will, and no committee telecast or broadcast could be used for commercial purposes, but may be included in bona fide newscast or documentary.

(3) Suspension of equal-time provision of Communications Act (Sec. 315) for 1964 elections will be subject of hearings beginning today (March 4) by House Communications & Power Subcommittee. Top level network heads appear first: CBS-TV's Dr. Stanton, NBC-TV's Sarnoff, while ABC-TV will submit formal statement of policy, probably under Goldenson's name. FCC views will be aired by Chmn. Minow & Comr. Ford, maybe others. Gov. Collins is slated for Wed.

House never has held hearings on issue. It passed resolution suspending equal time provisions for last elections, without gathering testimony.

Interesting figure in all these is Harris. Unless time schedule is changed, he is slated to conduct ratings hearings beginning Tuesday at 10 a.m., appear before House Rules Committee at 10:30 a.m. & participate in 315 hearings that start Mon.

NEW FACTBOOK—INDUSTRY'S BASIC REFERENCE: *Television Factbook No. 33* goes into mails next week, the 1062-page lineal descendant of our first edition—Sept. 1945 four-page directory of TV stations, CPs & applications.

Through cooperation of American Research Bureau, *Factbook* again updates major innovation of No. 32. This is a full page devoted to each TV station, presenting its net weekly circulation, a map depicting its county-by-county percentage of viewing penetration, and a tabular compilation of its county-by-county TV households & TV homes—together with Grade A & B coverage contours as derived from official files of FCC. (FCC, incidentally, finds the volume handier than its own files, in many categories, orders 150-200 copies.) This new working tool has achieved broad acceptance & use by agencies, advertisers & media researchers of all persuasions.

Foregoing is in addition to our customary complete data on each station—management executives, ownership, technical facilities, rate-card digests, etc. Along with this extensive data on stations, our regular departments have been updated & expanded—dozens of directories and statistical tables including: most complete foreign TV station directory published anywhere in the world, detailed data on the mushrooming U.S. & Canadian CATV systems, TV-radio-phono manufacturing executives & production figures, advertising & TV billing compilations, network executives, program sources, reps, all TV station sales since 1949, group station ownership, pay-TV organizations, communications attorneys & engineers, station brokers & management services, FCC roster, etc. etc.

Factbook is part of regular service to all full TV-AM-FM and full TV subscribers (those who receive weekly blue Addenda). Extra copies are available from hq, 2025 Eye St., N.W., Washington 6—at $15 each, $12.50 each for 5 or more.

STATE PRESIDENTS HEAR MORE MILITANT NAB: Gradually stiffening attitude of broadcasters against strictures of various kinds, notably from govt., was dominant tone of NAB's 8th annual State Assn. Presidents Conference in Washington last week. Group's tendency in past has been to dwell heatedly on such subjects as best method of getting call letters on license plates and similar pressing matters.

Public-relations & political success of industry's attacks on FCC's Omaha hearings, led by a militant NAB Pres. Collins, undoubtedly had much to do with theme of last week's sessions. Note these highlights:

(1) Appointment of a broadcaster to next FCC vacancy was demanded in petition signed by delegates: "The need to maintain a sense of balance, and for broad expertise in the regulation of this vitally im-

portant medium of communication, makes it advisable & desirable that serious consideration be given to the appointment of a qualified broadcaster . . ." It probably won't happen—but point is they asked for it.

(2) Sen. Hartke (D-Ind.), member of Commerce Communications Subcommittee, toasted group's cockles with ringing assurance he'd push for complete removal of Sec. 315 equal-time limitations on all campaigns, not only Presidential & Vice Presidential. Delegates applauded him happily—then sat glumly on their hands while he urged, at great length, that they increase public-service programs.

(3) NAB vp Howard Bell, conceding American Bar Assn. is still deaf to appeals for lifting of courtroom TV-radio ban, told state presidents to go to grassroots, work on their community leaders.

(4) Pres. Collins promised "an active & aggressive war" against govt. encroachment—but again cautioned that "the greatest insurance" against such interference is self-improvement. This was echoed in speech by NAB Radio Code Authority Mgr. Charles Stone.

(5) NAB Gen. Counsel Douglas Anello predicted it would be "a long time," if ever, before more Omaha-type hearings were conducted by FCC. Major result of hearing, he said, was to prove that Omaha's TV stations are "outstanding." And NAB Govt. Affairs vp Paul Comstock assured delegates that most congressmen he had contacted considered the hearings "imprudent if not downright improper."

Thus, you've seen a preview of NAB's annual convention in Chicago at end of this month.

NGC'S THEATER NETWORK & GE'S PROJECTOR: Last week's joint announcement by GE & National General Corp. of plans for full-time theater-TV network using new color version of light-valve TV projector may or may not mark milestone in history of pay TV & theatrical entertainment. For every enthusiast there was a skeptic.

Here's nutshell version of announcement made to press & selected security analysts at Waldorf-Astoria: GE has perfected color projector for theater-size screens with movie brightness. NGC (formerly National Theatres & TV) will be sole U.S. distributor for projector in commercial theatrical entertainment field. NGC, which owns 220 theaters in 16 Western states, will establish National Teletheatre Network (NTN) to program entertainment, educational & business TV to theatres with permanent theater-TV installations.

NGC Pres.-Chairman Eugene V. Klein said NTN hopes to program theatrical stage performance daily, with sports, educational, industrial & commercial programming during alternate time periods. He said NTN would lease full-time AT&T network lines for purpose, hopes to start network in about 12 months with 100 theaters equipped with GE projectors. Other theaters, in addition to NGC chain, would be invited to join network. Negotiations, said Klein, are under way with Broadway producers, talent & unions.

Color version of GE light-valve projector (not demonstrated at press conference) has been named "Talaria" (Latin for "winged feet of Mercury"). It's based on principles of Swiss Eidophor (Greek for "image bearer") projection system. GE is licensee of early Eidophor patents. Basic Eidophor principle involves layer of viscous control fluid which is scanned by electron beam, controlling light passing through it from external source.

GE's breakthrough appears to be in its method of getting NTSC-type color signal from system without using 3 virtually independent projectors. GE officials declined to comment on how this was done, except to say that 2 light-beams were used—one green, other magenta.

Non-GE engineers who have seen projector tell us that magenta beam is broken into red & blue beams by bars within projector system, thereby getting color TV's 3 primary colors. R. L. Casselberry, gen. mgr. of GE's technical products operation, said use of 5-kw xenon lamp makes possible light output of more than 3,750 lumens, adequate for theater screens up to 25x33-ft., and that system is designed to work with standard NTSC color systems. It also can operate on wider-band (7-mc) color system with color subcarrier moved up to 6.44 mc for greater resolution & definition. It's understood system also uses special technique to eliminate scanning lines in picture.

Those who have seen early demonstrations of Talaria are divided in opinions. One engineer felt color, registration, resolution & definition were excellent, and said that contrast ratio was about 100-to-1 (vs. 20-to-1 on conventional color projectors), with brightness better than theatrical motion pictures. Another veter-

an industry man was dubious, stating that GE hasn't yet made commercial model, that there's been no field-testing, etc. (GE promises demonstration to press in 90-120 days.)

Swiss-made Eidophor projector, of which Talaria is a relative, is distributed exclusively in U.S. by Theatre Network TV Inc. (known as TNT, presumably not to be confused with NTN), which has developed color versions primarily for military uses.

Like GE's projector, NGC's ambitious theater network plans aroused mixed reactions from people close to field. Said one: "If anyone has the guts to try it on this large a scale, it almost has to work." Another commented that previous tests of entertainment productions on theater TV had not been resounding successes —"so I'll believe this one when I see it."

NGC's Klein summed up his theater-TV plan this way: "What it is, in effect, is the long-awaited coming of pay TV—here to stay and where it belongs, in the superior exhibiting facilities of the nation's motion picture theaters." Home pay-TV interests eyed development cautiously, unofficially expressing welcome to any potential new source of programming which they might tap. And fact that NGC owns 5 CATV systems caused some speculation that homes eventually may be tied into any nationwide theater-TV network on pay-TV basis.

If project gets off the ground, its significance could transcend theater TV. It could mark start of first real network of programming available to all kinds of pay-TV projects—wired, CATV-linked and off-air, in addition to theater. On basis of sketchy information presented to date, however, there are still a lot of Missourians in the industry.

NETWORK BILLINGS GREW IN '62: Gross network time billings for 12 months of 1962 were finally issued by TvB last week. Figures showed time-sales gross of 3 networks rose 12.2% last year over 1961 level. Total billing was $798.8 million vs. $712.1 million for '61.

Sharpest rise was at CBS, confirming sales & rating success that network is having currently. Jump at CBS was 16% over previous year, reaching new 12-month figure of $311.7 million. NBC moved up 11.5% to new level of $281.8 million. ABC increase was 7.7% during 1962 to reach year-end total of $190.6 million.

Figures were echo of gains made by TV networks in early 1950's, when billing figures grew by giant strides. In fact, 1961-62 growth was "largest percentage increase since 1956," according to TvB. During that year, network billings jumped 20% over previous year.

ABC TO DROP-IN RESCUE: Vhf drop-ins for 8 markets, due for FCC consideration this week, were defended by ABC against attacks by AMST, ACT, et al.

ABC asserted, in pleadings filed with Commission, that there's a "misconception" that ABC-TV would move its programs from vhfs to new uhfs in those markets. "It would be unfair," ABC said, "to expect ABC and its advertisers to . . . suffer the losses of switching their programs to uhf stations in these markets."

If vhfs are dropped in, ABC argued, advertisers would be able to achieve greater sales and could thus afford to buy time on smaller uhf stations.

ABC also suggested it may be good idea to require operators of vhf drop-ins to simulcast on uhf.

N.Y. Board of Regents, meanwhile, came to FCC with extensive ETV plan calling for reservation of following channels: Amsterdam-Gloversville 52, Batavia 79, Boonville-Lowville 56, Dunkirk 46, Glens Falls 39, Hempstead 53, Hornell 50, Jamestown 58, Massena 14, Ogdensburg 24, Olean 54, Oneonta 42, Patchogue-Riverhead 75, Plattsburg 28, Poughkeepsie 21, Saranac Lake-Lake Placid 18, Watertown 20.

Regents once had uhf CPs for Binghamton, Buffalo, Ithaca, Rochester, Syracuse—but couldn't get appropriation to put them on air.

Midwest airborne educators came through with specific request for 6 permanent uhf channels: Ch. 72, 74, 76, 78, 80, 82. Engineer Thomas Wright stated: "My Jan. 11, 1963 statement in this proceeding showed that 114 ground based facilities would be needed to serve the area served by one airborne 6-channel facility. The present study shows that this improvement in service would be available in exchange for 9 single-channel ground facilities. The increase in service is over 1100 percent."

■

KTVU San Francisco received one-year license from FCC last week—on promise-vs.-performance grounds. Commission said station carried less local-live, discussion, etc., than promised.

WQAD-TV (Ch. 8) Moline, Ill. joins ABC-TV as primary affiliate when it begins telecasting Aug. 1.

MINOW FUTURE NOT JELLED: The only thing new about FCC Chmn. Minow's future is that he won't be president of Communications Satellite Corp.; Air Force Under Secretary Charyk got that job (see p. 6).

Minow doesn't yet know his next move—though there's little doubt he's going to move. Appearing before Senate Commerce Subcommittee last week, he stated his situation simply. In good-natured vein, Chmn. Pastore (D-R.I.) asked Minow about published rumors. Said Minow: "I assure you that when I have made any decisions about my future, you will hear about them from me first and not read about them in the trade press." Pastore: "Spoken like a true statesman, but not very responsive." Minow: "The fact of the matter is that I have made no decisions yet, but when I do you'll hear from me." You're welcome, meanwhile, to speculate, advocate your own candidate, release trial balloons.

Kenneth Cox's appointment to FCC is due for Senate Commerce Committee vote this week. It's assumed he'll go through without trouble—unless Sen. Thurmond (D-S.C.) still has unspecified questions to ask in closed session (Vol. 3:5 p2).

———■———

Commercial Ch. 38, Boston, has been applied for by Boston Catholic TV Center Inc., an outgrowth of Catholic TV Centre, which since 1955 has been producing programs from own fully-equipped studios. Richard Cardinal Cushing is pres., Right Rev. Walter Flaherty treas., atty. Henry Leen clerk. Station would televise non-denominational religious fare & cultural programs. It has agreement with RCA to lease uhf receivers to be placed in schools & hospitals. Mostly sustaining, station would look to business to underwrite some program costs. RCA equipment would be used.

Station Sales: KAVE-TV (Ch. 6) Carlsbad, N.M. has been sold with radio KAVE to John Deme, owner of radio WINF Manchester, Conn. for $250,000 by Voice of the Caverns Inc. (Edward P. Talbott, pres. & 51% owner). In another transaction, Zanesville Publishing Co. sold radio WHRV Ann Arbor, Mich. to Radio Ann Arbor Inc. (Frank H. Babcock principal owner) for $295,000. Zanesville Publishing owns WHIZ-TV & WHIZ Zanesville, O. and WTAP-TV & WTAP Parkersburg, W.Va. Broker for both sales was Hamilton-Landis & Associates Inc.

Southeastern ETV & radio broadcasters hold annual NAEB Region II conference at Tampa's International Inn, March 29-30, more than 200 delegates to hear: Dr. John Caldwell, N.C. State College; William Harley, NAEB pres.; Richard Hull, Ohio State U., NAEB board chmn.; Gerard Appy, WGTV Athens & Region II TV dir.; Leonard Press, radio dir. WEDU Tampa is host; gen. mgr. LeRoy Lastinger is conference chmn.

Grassroots FCC hearings into local TV service, a la Omaha, should receive industry cooperation rather than resistance, Peter Goelet, pres. of National Audience Board, charged in *The Viewer*, group's publication. Such inquiries, he said, overcome complaint of "absentee management" leveled against FCC.

New rep: KTVI St. Louis, Mo. to H-R Television March 18 from Blair.

RCA will increase prices of "major items" in its broadcast equipment line by about 5%, effective March 15, Broadcast & Communications Div. vp-gen. mgr. C. H. Colledge announced last week. He said boost reflects higher manufacturing costs & increased value built into current equipment. Increases will apply to transmitters, antennas, cameras, tape recorders and control & switching equipment. Hikes follow by 6 weeks GE's announced 3-5% increases in TV broadcast cameras (Vol. 3:2 p6). Gates Radio increased prices average of 5.5% Feb. 11 on all broadcast equipment except AM transmitter. Collins, Ampex, Continental Electronics & Sarkes Tarzian said they had no current plans for price boosts.

Illusion of color on b&w sets without adjustment or adapter is being tried by 5 Storer TV stations. Austrian process, licensed here to General TV Corp., Ferndale, Mich., it gives chromatic effect for animation & line drawings by transferring artwork to videotape through special process. It's not a substitute for true color, said Bill Michaels, TV div. vp; stations are using it for ID's. Viewers reaction has been greater than expected. Similar process developed by Mexican engineer was shown to NAB convention 2 years ago (Vol. 16:15 p10). Electronically-taped flashing lines of different lengths transmit shades of red, green & blue. One engineer said flickering of lines fatigues eyes' rods & cones, producing "after image" in color.

Station man bites dog in new study completed recently by WJXT Jacksonville. Nettled by familiar print-media criticism that TV is overloaded with commercials, WJXT research dir. Jim Landon checked sample week of advertising in *Jacksonville Times-Union* vs. all TV ads, local & national including network, on station. What Landon found: Of total space in newspaper (excluding Sunday edition) during week, average of 67% was ads. Of total airtime on station, commercials accounted for only 16%.

Gross spot TV billings totaled $197,759,000 in 4th quarter 1962, up 11.2% from same 1961 period's $177,827,000, TvB reports. Product classifications with major increases were automotive, 47%; confections & soft drinks, 27%; consumer services, 25.3%; cosmetics & toiletries, 19.5%; drug products, 16.4%; clothing, furnishings & accessories, 80%; household cleaners, 21.2%; transportation & travel, 68%. Total 1962 gross billings were $721,212,000, 17% above 1961's $617,398,000.

TV isn't depicting properly "the maiming & invalidism that may follow gun play in real life." So charges *The PTA Magazine's* current issue in article titled "Time Out For Television." Official organ of National Congress of Parents & Teachers reported that "rash of self-inflicted gunshot wounds" was turning up in doctors' offices among amateur gunslingers who were matching their quick draw, with real Colts and real bullets, against whiz-bang TV types like Marshal Dillon & Palladin.

Broadcast Pioneers 3rd annual Mike Award was presented to WSB-AM-FM-TV Atlanta at N.Y. banquet attended by top industry executives & 6 FCC commissioners. Award was given for "dedicated adherence to quality." President Kennedy sent message calling attention to "vast contributions made to the public good by the broadcasting arts." James M. Cox Jr., chmn., accepted award. WLW Cincinnati & WGN Chicago were previous winners.

NBC Chmn. Robert W. Sarnoff will make principal address March 5 at Chicago World Trade Conference, on TV's role in American democracy.

Minow Briefs Senate: Progress of all-channel set law and ETV was reported to Sen. Pastore's (D-R.I.) Communications Subcommittee last week by FCC Chmn. Minow, fellow commissioners & staff.

Hopes for quick Congressional action to get some funds rolling for ETV were expressed by Minow. Supplemental appropriation request for $2 million for rest of fiscal 1963 is pending in Congress. He said funds would go for construction of 9 new stations & expansion of 4 already in operation. President Kennedy has called for $7 million for ETV in fiscal 1964. Commission expects to issue revised uhf allocation table within next few months, he said.

All-channel law is working as expected, with only minor snags, Minow reported. He added that law has stimulated applications for uhf outlets and he expects even more acceleration as April 30, 1964 cut-off date nears. Cost difference between all-channel & vhf only sets has been running about $25 as expected, he stated.

Major part of one-day hearing was taken up with discussion of Commission's effectiveness in regulating AT&T. Pastore said he "isn't impressed" by new plan to permit station-to-station long distance calls for $1 nationwide between 9 p.m. & 4:30 a.m. Move would cost AT&T $55 million a year, $25 million of which would be recouped by increase in person-to-person calls up to 800 miles. Pastore opined that phone company, which had record profits last year, should be able to absorb $55 million drop without boosting other rates.

■

First live transcontinental TV program, linking U.S., Canada & Mexico, was frustrated at last minute (Feb. 24). Mexican Communications Ministry ruled that Mexican Telephone Co. did not have proper permit, although latter claimed it has permits to use communications lines dating back to 1926. Telesistema Mexicano, TV network, applied for permit and was turned down. Program was to feature N.Y. Gov. Rockefeller, former Mexican Pres. Aleman & Ontario Premier Roberts.

"Selectroniscope 1001" is TvB's new spot TV marketing guide, available in spring at $10. Package includes 100-page book estimating performance of varying schedules by reach, frequency & cost efficiency, plus computer for quick evaluation of weekly schedule costs by number of spots, gross rating points, etc. Using new Nielsen data, "Selectroniscope 1001" is successor to TvB's 1957 "Spot TV Sampler."

NBC International has sold to Brazil's TV Excelsior Network 7 TV series, totaling more than $500,000. To be dubbed into Portuguese, they are: *Laramie, Dr. Kildare*, NBC news & public affairs documentaries, *Funny Manns, Panic, Bonanza, Loretta Young Theatre.* Japan's Fuji Broadcasting also reportedly plans to buy NBC programs, mostly news, for 3rd year at about $100,000.

Britain's commercial TV system should give govt. bigger piece of profitable pie, according to Postmaster General Bevins. He wants $50.4 million yearly, a bit more than double, by raising rent for govt. facilities. Volume of 15 commercial firms is estimated at $420 million yearly, with profits of $70 million.

KBLU-TV Yuma joins CBS-TV as extended market group affiliate about June 1, replacing KIVA.

Speed Up in Satellite Communications: On heels of FCC report of progress on implementing space communications act (Vol. 3:8 p6), major steps were taken last week to speed machinery of Communications Satellite Corp.:

(1) Incorporators named Leo D. Welch, Standard Oil (N.J.) chmn., as its chmn. and chief executive officer, and Dr. Joseph V. Charyk, Under Secretary of Air Force, as pres. Both were nominated by President Kennedy, are subject to Senate confirmation. Welch, businessman & planning specialist, reportedly will draw $125,000 yearly. Scientist Charyk's salary would jump from present $20,000 to $80,000.

(2) Credit up to $5 million was obtained by CSC, after FCC authorization, from 10 banks, each lender accounting for 10%. Initial loans of $500,000 are planned immediately. CSC expects to be functioning in 2 years, will be offering stock to public by Feb. 28, 1964 at not more than $100 a share.

Bell Labs also reported that Telstar, first communications satellite, went dark, apparently victim again of radiation sickness as it neared stronger sections of Van Allen Belt. And Harvard Observatory reported that it believes the lost Syncom satellite has been photographed by observatory at Bloemfontein, South Africa.

■

Personals

Gordon Davis, asst. to vp, KPIX San Francisco, takes 2-year leave of absence from WBC to become broadcasting dir., Radio Free Europe, Munich.

Mike Roberts resigns as vp & gen. mgr., WBC Program Sales . . . **Robert Guy**, ex-KCOP Los Angeles programming dir., appointed Storer TV div. program development mgr.

Marvin Kirsch, assoc. publisher & gen. mgr., *Radio-TV Daily*, resigns, will take vacation to recuperate from surgery & then consider pending offers . . . **Bob Fields** promoted to TV technical operations supervisor, KYW-TV Cleveland.

Donn Winther, adv. & sales promotion mgr., WBZ-TV Boston, promoted to asst. sales mgr. replacing **Ted Wrobel**, resigned. **Robert Hudson** succeeds Winther.

Donald Badger, ex-WZZM-TV Grand Rapids gen. sales mgr., appointed WTEV Providence-New Bedford promotion mgr. . . . **Raymond Kaelin**, ex-Peters, Griffin, Woodward salesman, named sales vp, Vic Piano Assoc.

Robert Blake, ex-*Steve Allen Show*, CBS & NBC, named to new post of dir. of public information, Westinghouse Bcstg. Co.

Obituary

Robert E. Dunville, 57, pres. of Crosley Broadcasting Corp., Cincinnati, died Feb. 28 after several months' illness. He joined Crosley in Dec. 1937 as asst. to broadcasting vp (James Shouse, now chmn.). In 1944, he was elected vp & gen. mgr. of WLW; in Nov. 1949, pres. He is survived by a wife, a son & daughter.

Lester R. Rawlins, 54, gen. mgr. of radio KDKA Pittsburgh, died Feb. 23 at St. Francis Hospital. Survivors are his widow, 4 brothers, 5 sisters—one of whom is wife of Ohio Gov. Rhodes.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

TINYVISION HEATS UP—SONY SLASHED BY $40: Transistor portable TV race was getting hotter at week's end. Sony ripped $40 from its 5-in. Micro TV, bringing list price down to $189.50. Meanwhile, Westinghouse was putting 6-in. Mitsubishi battery set through its paces for possible marketing as specialty item.

Although cut in Sony's prices had been expected, move's timing took competitive importers by surprise, and many were studying their own price lists for possible revisions. Fact is that although 9 tiny imported battery-powered transistor TVs have already been shown, only Sony and Sharp sets have been mass marketed so far.

Official explanation for Sony price cut was economy due to automated mass production, but upcoming competition undoubtedly also influenced decision. Sony's 5-in. Micro TV was cut from $229.95 to $189.50, accessories (including $39.95 battery) remaining unchanged. Sony's older 8-in. battery TV was officially cut from $249.95 to $229.95 at same time. This appeared to be pro forma move, however, as older model apparently is no longer being imported, and has been selling as low as $149.95.

List-price reductions went into effect March 1, but cut in dealer prices apparently came earlier. Earlier last week, one N.Y. discounter was offering 5-in. Micro TV at $169.96—below recent wholesale price.

Sony's sales were good during Christmas season—but nobody knows how good. Official Japanese export figures indicate about 37,000 transistor TVs were sent to U.S. last year (Vol. 3:6 p7), but some of these may have been re-shipped to other ports. One estimate is that Sony sold about 15,000 battery TVs in 1962.

U.S. manufacturers & importers have been watching Sony sales closely to determine if there's real market for transistor TV—and, if so, at what price. Although it would be phenomenally expensive to tool up & produce such a set domestically, importing can be done with far less extensive commitments. It is on this basis that Westinghouse is testing sets made by Mitsubishi, one of its Japanese licensees and affiliates.

"We're thinking about a novelty item in this category—miniature TV set," we were told last week by Westinghouse TV-Radio Div. gen. mgr. O. H. Yoxsimer. "We've ordered 50 of them to study, but haven't made any commitments on greater quantity. Even though it's a very fine set, with every imaginable kind of accessory, we look at it as a specialty item for a specialized market, and if we do handle it, we'll do so on that basis."

Although at least 2 U.S. companies are planning to manufacture tinyvision sets this year (in 10 & 11-in. sizes), we know of only one which has even hinted at plans for battery-operated transistor models. This is GE, which will offer non-transistor version first, then possibly phase into transistor set later this year or next.

How does transistorized wee-TV market stand now? Here's status of other importers with their plans and list prices (some subject to change as result of Sony move) exclusive of batteries or accessories:

Sharp (Hayakawa) is now shipping its 8½-in. set ($229.95 list) in quantity, has received one air shipment of 6-in. ($199.95), plans to begin full-scale 6-in. deliveries within 4 weeks. Sharp is re-evaluating prices in light of Sony action.

Matsushita (Panasonic) now is quoting "spring deliveries" for its 9-in. at $249.95 and its 5-in. at $229.95. Spokesman says there's now possibility 5-in. price may be lowered.

Delmonico now is promising May-June delivery for both its 4½-in. (which uses 9 flashlight batteries) at $149.95 and its 5½-in. at $179.95.

Channel Master is putting Sanyo-built 8-in. set through tests, has established no date for sales, is restudying pricing situation.

PROFILE OF A TV DISCOUNTER: TVs, radios & phonographs are sold by 76% of nation's discount houses, Audits & Surveys Inc. points out in new "Profile of A Retailing Phenomenon." High percentage of these home entertainment departments, 71%, are company operated, only 29% are leased. A&S didn't explore color breakdown, but RCA, in survey last year (Vol. 2:45 p7) found as of April 1962 that 66% of discounters carried color sets vs. 37% for all TV retailers. Discounters' color representation was up from 59% in April 1961, and obviously has increased in past 10 months.

"The discount house is still a very young institution in which dramatic changes are taking place overnight," points out A&S vp & technical dir. Irving Roshwalb. "They seem to be found everywhere." He estimates that "number of retail outlets that can be called discount stores ranges anywhere from 1,200 to 4,000," adds that they sold estimated $2.9 billion volume in 1960, more than $4 billion in 1961, more than $5 billion last year. *Discount Store News*, leading publication in that field, estimates 1962 discount sales at $6 billion—up from 1961's $4.25 billion, says year closed with some 2,200 stores vs. 1,500 a year earlier, predicts construction of 400 more—and larger—discount centers this year.

"The success of the discount house," Roshwalb emphasizes, "is reflected by the eagerness with which so-called traditional merchandisers have followed suit. Not only have department store operators like Allied Stores moved into discount operation, but foodstores like Grand Union (Grand-Way) & Food Fair (F. F.-J. M. Fields Inc.), variety stores like Woolworth (Woolco Stores) & Kresge (K-Mart) and drug stores like Walgreen (United Mercantile Stores), have deemed it desirable, if not necessary, to expand into discount operations."

Median discount store, A&S survey found, operates in 46,000 sq. ft. of selling space. Bulk of discounters, 40%, are concentrated in northeast. Other geographic breakdowns: 24% north central, 21% south, 15% west. Only 29% are in non-metropolitan areas; 51% are in metropolitan centers with more than a million population, 20% in less-than-a-million areas. Highway locations are preferred by largest group of discounters, 33%. Next in popularity: neighborhood areas, 24%, shopping centers, 22%, downtown districts, 21%.

Discounters go after business, A&S survey reveals. They work long hours, including Sundays, and are open day & night. Survey found, for example, that 40% of discount houses operate Sundays, and 14% are open Sunday nights. Percentage of discounters open after 6 P.M. ranges from high of 91% on Thursdays & Fridays to low of 65% on Saturdays. On Tuesdays & Wednesdays, night-selling discounters total 80% & 82% respectively.

Indications that discounters' traditional edge over conventional retailers is narrowing also is noted by survey. "Discount stores have changed in character since their inception as cash & carry outlets," Roshwalb emphasizes. Some 66% of discounters now operate in states that enforce fair trade legislation. Also, 51% of discounters now offer customers credit facilities, and 35% provide delivery service.

"It is not very easy to predict where the discount business will go from here," he notes. "The impact of the discount house on department store retailing has been borne out by the frequency of the predictions that the two institutions will meet on some middle ground, with department stores lowering prices (and reducing or eliminating some services) and discount houses raising prices (and offering additional services & comforts to the shoppers). Some argue that this development may set the stage for a new wave of discounters, discounting the 'traditional' discounter." Roshwalb sums up: "Every manufacturer must be concerned with what's happening in the discount house."

SINGLE-CHANNEL FM SETS STRIKE PAYDIRT: A N.Y.-based company called Auditron Corp. has sold some 45,000 FM sets in less than 8 months, largely without dealers. What's unique about the sets is that they have no tuning knobs, no dials. Each one can receive only one station.

Auditron set is sold by FM stations, usually on mail-order basis, at $18 postpaid. Station plugs set with spot announcements, receives 50¢-$1 per set sold to pay for commercial time—and gets real captive audience in the bargain, audience of listeners with radios locked to its frequency. Station doesn't handle radios, which are shipped direct from plant in Indianapolis.

Guiding genius of Auditron is radio veteran Emmett Poons, whose career started with N.Y.'s pioneer WJY in Aeolian Hall and who spent 15 years in radio import business. Music-lover Poons got his single-channel idea in 1958, brought it to fruition last year. Auditron Corp. is backed by substantial capital from A. M.

Sonnabend, chairman of Hotel Corp. of America (and Auditron chairman as well), who holds 1/3 interest & voting control. Poons is pres. and M. E. Grant (ex-Toyomenka Inc. importer) is secy.-treas. & sales mgr.

Poons' long search for acceptable, drift-free, single-channel FM set led him to Japan, Germany, Netherlands—and finally to Indianapolis, where he rents space in Sarkes Tarzian plant. "We have our own line there. We buy the parts and they are assembled there." Circuit finally developed by Poons' engineers was based on German Blaupunkt FM circuit, with addition of fixed tank circuit and with 2 pre-tuned RF stages. Set has 5 tubes & silicon rectifier, all U.S.-made parts, including GE tubes. Dies were purchased from Sarkes Tarzian for $6,000.

Resulting set is in white plastic cabinet, with station's call letters embossed on emblem. Which station? There are 93 of them now selling Auditron, "and we hope to have 120 by the end of March." First station was Philadelphia's WFLN-FM, which has sold 2,500 Auditrons since last August.

Shortly after pilot test on WFLN-FM, Gerald O. Kaye, head of Friendly Frost Stores, which operates N.Y.C. area's WTFM, became interested. Promoting set on his FM station, he sold 14,000. In analyzing nationwide warranty return cards, Poons noted that substantial number—about 14%—were from physicians & dentists, who used Auditrons in their waiting rooms & offices. Of WTFM's 14,000 Auditrons, 11,000 went to doctors & dentists, partly as result of special direct-mail campaign. Kaye estimated that the 11,000 waiting-room sets added 220,000 patients to WTFM's audience—enough to document good case for station rate increase.

Auditron sets are UL-approved, fully warranted, and performance has been extremely satisfactory, with less than 1% warranty returns, Poons told us. At Dallas airport, he said, 2 Auditrons (tuned to KIXL-FM) have been operating continuously night & day for 8 months—"equivalent of 5 years' normal use."

Has Auditron aroused ire of dealers? In some areas, Poons admits—but he thinks dealers really should thank him. Survey in Montgomery, Ala. (WAJM) showed that "the average Auditron purchaser bought another FM set in an average of 5 months, spending an average of $130." Added Poons: "It creates a demand for good FM equipment from people who had hardly even heard of FM." In Montgomery & Jasper, Ala., and in Kent, O., Auditron is handled by local radio retailer in traffic-building tie-in with station. It sells for $19 there; retailer gets $1—and good FM radio prospect list—for his trouble.

Auditron has aroused interest in Canada, where big TV-radio-phono manufacturer Fleetwood Corp. has taken out license to manufacture & sell the single-channel FM set. Tank circuits will be shipped to Fleetwood from Indianapolis (59¢ each). Rest of set will be Canadian-built.

Auditron has had some interesting byproducts—one of which might eventually become bigger than Auditron itself. Example: U.S. Weather Bureau, which operates low-powered (250-watt) FM weather stations in N.Y. & Chicago (at 126.55 mc, above FM broadcast band), asked Poons if he could develop single-channel weather radio at reasonable cost (cheapest available sold at about $100). He did—for $23.95 retail—"and now we're selling a lot of them to steamship & tugboat companies and boating enthusiasts. We also make an inverter, which we sell for $12.95 so the weather radio can be operated from a small boat battery."

But the project which has Poons most excited now results from the unexpectedly high demand for Auditron from doctors & dentists. It's new concept in SCA multiplexing for physicians, and possibly dentists, too. Here's how it will work, according to Poons:

Auditron will contract to buy all of time on multiplexing station's subcarrier. Then it will turn time over to a single pharmaceutical house, which will program functional waiting-room music, with perhaps a few mild commercials during office hours, putting on special seminars, programs & courses for doctors after hours. Pharmaceutical house will buy the single-channel multiplex subcarrier receivers and place them in doctors' offices free. "We can build the multiplex receivers for $30 each, and this plan can mean $40-$50,000 a year in revenue for stations."

Who says there's no more ingenuity in the radio industry?

TV-RADIO PRODUCTION: EIA statistics for week ended Feb. 22 (8th week of 1963):

	Feb. 16-22	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
TV	138,069	142,838	126,390	1,048,234	1,030,363
Total radio	311,750	313,074	352,456	2,504,621	2,815,427
auto radio	135,896	151,488	121,117	1,147,588	1,010,821

LPs Are Better Than Ever: RCA Victor is launching "largest & most extensive advertising & promotion campaign in record industry history"—$2.3 million worth—to plug what it calls "an evolutionary advance in the recording art."

The advance goes under name of "Dynagroove," a system which involves complete re-evaluation of recording process for higher fidelity in both stereo & mono recordings. Highlights of process include recording from tape machines operating at 30 inches per second (vs. normal standard of 15), and specially developed devices to prevent overload which causes tracking difficulty, to provide same fidelity of response at any playback level, and to re-form disc groove to eliminate erratic movements of playback stylus—especially noticeable on inner groves of disc.

Net result, says RCA, is that process boosts "the apparent quality of any phonograph." First 10 Dynagroove releases, at regular prices, will be issued this month.

Anticipating RCA's announcement, Columbia Records revealed that it has been using "exclusive new master groove-cutting technique" for last 6 months. "Essentially," said Columbia, "it is a process in which groove-cutting distortion is measurably reduced, thereby insuring optimum vertical tracking." System is claimed to result in greater clarity & record longevity. It was understood that new Columbia & RCA Victor groove-cutting techniques are similar.

■

Average factory sales price of Japanese b&w TV sets during first half of 1962 was slightly less than $108; color sets averaged $485 each. These figures are derived from tabulation of first-half Japanese electronics production figures released by U.S. Commerce Dept.'s Business & Defense Services Administration. Production for the 6-month period totaled $797 million, up 20% from $660 million in same 1961 period. Consumer electronics accounted for more than half of total. Output of specific products for first-half 1962 (similar first-half '61 figures in parentheses): TV sets, 2,523,400 sets at $269,240,000 (vs. 2,040,300 at $217,223,000); color sets, 881 at $427,000 (no comparison available); total radios, 7,035,400 at $100,315,000 (6,536,600 at $97,340,000); radio-phonos, 445,600 at $30,959,000 (316,900 at $17,638,000).

First 16-in. color set will be shown at IEEE Show in N.Y. March 25-28 by Toshiba. Company says set has 16-in. square-corner 3-gun shadow-mask tube, measures 29-in. wide, 16-in. high, 24-in. deep in consolette cabinet. Set is unpriced, and merchandising plans unannounced. It's one of first to use Asahi Glass's new 16-in. color bulb. The 16-in. color tube will also be displayed separately by Toshiba. It has 70-degree deflection, is 21-in. long, weighs 15 lb. Toshiba will also show 16-in. 114-degree b&w picture tube with PPG laminated safety plate, and an ultra-slow transistorized tape recorder which provides up to 6 hours on 5-in. reel, at $1\frac{5}{16}$-inch per second.

GE enters model railroading field with "Astrac," control system which permits user to control up to 5 trains independently on one electrically continuous track. Heart of transistorized receiver mounted in train is pair of silicon-controlled rectifiers. Dual-control unit will retail for about $55, including 2 receivers. Five-channel control will sell for around $25, with optional micro-receivers at about $10 each.

IEEE's Far Frontiers: Information & data processing, microcircuitry, new semiconductors & microwave devices and aerospace will share spotlight in technical papers at IEEE international convention March 25-28 at Waldorf-Astoria & N.Y. Coliseum. Few of the papers or the 850 engineering exhibits will apply directly to consumer electronics—but almost every development there will be somewhere on far frontier of consumer product sciences.

Consumer product engineers probably will attend most closely the sessions on semiconductors and on microelectronics—as overtones of molecular revolution already begin to resound in consumer field (Vol. 3:5 p7).

Of direct interest to consumer product & broadcast engineers will be March 27 sessions on broadcast & TV receivers, audio, broadcasting. Receiver session will feature papers by Owens-Illinois' B. W. Spear on Kimcode picture tube, by Armour Research Foundation's Marvin Camras on electron scanning for video recording & playback, by GE's E. K. Von Fange on solid-state uhf converter, by Purdue's W. H. Hayt Jr. on ETV.

Broadcast papers will include 2-part review of S.C. ETV by S.C. ETV Center's R. L. Kalmback & Bell Telephone's W. R. Knight Jr., compensation for video-tape dropouts by 3M's Irving Moskowitz, and papers on N.Y. uhf project by FCC's Daniel Hutton & G. V. Waldo.

■

Good sales continue: Emerson TV sales are running about 15% ahead of last year, Pres. Benjamin Abrams told stockholders meeting. He said 70% of company's sales now are in portables & table models, while color TV sales are running about double last year's figures . . . **Webcor's** consumer product sales for Jan. were about 20% over last year's same month, division sales vp Charles Dwyer said. He attributed heavy share of increase to tape recorders . . . **Zenith** Sales Corp. Pres. Leonard C. Truesdell tells us Jan. was "biggest single month in our 45-year history" and that "we're sold out on our full production through May". . . RCA portable TV sales by distributors to dealers are up 44.2% so far this year over same 1961 period, reported Sales Corp. mktg. vp Raymond W. Saxon. Other sales gains: color TV, 34%; portable radios, 40.4%; tape recorders, 50%; portable record players, 63%. For total 1963, he expects industry sales of phonographs to improve to about 4.8 million, domestic radio sales to slip to neighborhood of 11 million.

RCA is "carefully evaluating" 16-in. set market, but has made no final decision, according to RCA Sales Corp. Marketing vp Raymond W. Saxon. He said reports indicate "a sampling reaction [to 16-in. sets] on the part of dealers, but with rather disappointing reorder business." He added: "We would like to be convinced that the 16-in. market is more substantial than it seems to be at present."

Standard Kollsman's entry into uhf converter business (Vol. 3:3 p7) will be with 2 models at $29.95 and $39.95 via parts jobbers & TV dealers. Campaigns featuring newspaper ads will break in cities with uhf outlets on air or anticipated—in Chicago; Montgomery, Ala.; Columbus, Ga., Dallas, and other markets.

Hoffman Electronics reportedly may re-enter stereo console field, with made-to-order equipment under Hoffman brand name. The Los Angeles firm is currently marketing Japanese-made transistor radios, recorders and other items, left TV receiver manufacture in 1961.

RCA & ZENITH AT PEAK: Record 1962 sales & earnings were racked up by both RCA & Zenith (see financial table). RCA earnings shot ahead 45% to $51.5 million from 1961's $35.5 million as sales climbed 13% to $1.752 billion from record $1.546 billion.

Zenith posted profits of $19.6 million—up 9% from 1961's record $18 million. Sales jumped 14% to $312.2 million from $274.2 million. Zenith earnings have boomed 140% since 1957 on a 95% sales rise, Chmn. Hugh Robertson & Pres. Joseph S. Wright noted, adding; "The year 1963 gives tangible promise of being another year of continued progress & growth for Zenith." They said 1963's first-quarter sales should set record, reported Jan. factory shipments of both color and b&w TVs were highest for any month. Shipments of b&w TVs in 1962 also set record & exceeded 1 million units for 4th consecutive year. Color TV also was major factor in 1962's increased volume they said. Distributor radio sales set all-time record, as did Zenith's production and sales of stereo.

RCA, in annual report to 168,000 stockholders, said (1) "color sets & tubes were the largest profit contributors of any products sold by RCA in 1962" (Vol. 3:4 p12), (2) color set sales "doubled over those of 1961," (3) profits from color manufacturing & services "increased 5-fold," (4) RCA TV set unit sales topped million mark, "with dollar volume surpassing the peak year of 1950," (5) NBC posted sales & profit records, (6) color TV's "rate of growth suggests that it will surpass $400 million this year," vs. industry's $200 million revenue in 1962.

RCA last week also increased quarterly cash dividends on common stock to 35¢ per share from 25¢, payable April 29 to holders of record March 18. Chmn. David Sarnoff said increase "reflects both the record of the past and the outlook for the future."

Trade Personals

Russell W. Johnson, ex-Westinghouse TV-Radio Div. ad mgr., joins Ideal Toy Co. as ad mgr.

Robert Slepian appointed Sylvania Home & Commercial Electronics ad mgr., succeeding **Donald Price,** advanced to Sylvania corporate ad staff.

Philip M. Pritchard promoted to Midwest sales mgr. for all General Instrument TV-radio components, headquartering at 5232 Diversey St., Chicago.

Louis R. Wanner named chief engineer, Sylvania's receiving tube operation, Emporium, Pa.

Charles E. Erb, Westinghouse Major Appliance Div. gen. mgr., elected a dir. of Westinghouse Credit Corp.

William P. Hilliard advanced to pres. of General Precision's GPL Div., succeeding **R. W. Lee,** named exec. vp & gen. mgr. of Information Systems Group, a new post.

Rudolph E. Carlson Jr., ex-Motorola, named Sylvania Home & Commercial Electronics product planning mgr.

George Pyre named Webcor pres., succeeding **Titus Haffa** who continues as chmn.

Philco Regains Vigor: Consumer products business which accounts for "roughly half of Philco's volume is approaching the breakeven point, insiders indicate," reported Feb. 25 *Wall St. Journal* in long analysis of Philco under Ford management. Four of 6 key divisions, including Consumer Products, "were operating in the red when Ford took over." Now, "as a result of new cost-saving procedures, 2 of the 4 losing operations are making money." Over-all sales, however, "have been slower to respond to the infusion of Ford capital & know-how, slipping to $400 million from $420 million in 1961" (Vol. 3:6 p12).

Among cost-saving procedures: Management staff was trimmed 15%, over-all domestic employment reduced to 22,000 from 27,000 before merger. Some 30 executives were brought in from Ford, "8 of them in the 21 top corporate posts," *Journal* said, but this infusion was offset by cutting about 60 executives from old Philco management.

How much more than original $100 million purchase price, in common stock, Ford has invested in Philco is still well-guarded secret, but, *Journal* noted: "Ford has retired some $23 million of Philco debt and assumed liability for an insurance company note of $21 million. It's also providing some of the capital for a 140% boost in capital spending to more than $12 million a year (Vol. 3:4 p11). More cash, too, is going into product development."

Journal summarized: "Besides showing new aggressiveness in both consumer & industrial markets, Philco is rapidly becoming a mirror image of the organization & operating policies of its successful parent. More important, the streamlining already is showing substantial evidence of reversing Philco's waning fortunes."

* * *

Philco & Pres. Charles E. Beck also were analyzed by Mar. 1 *Time,* which noted that "marriage of Ford money & management to Philco's scientific knowledge has given once-faltering Philco new strength." World War II B-29 pilot Beck "makes all day-to-day decisions on his own, deferring to Detroit only on major policy matters," *Time* said, adding: "He has charted a route to bring Philco to better things within the next 5 years." Beck's efforts already have "produced results: manufacturing efficiency last year rose 16% in the Consumer Products Div."

Emerson Radio earnings slipped in fiscal-1963's opening quarter, ended Feb. 3, to "about 20¢ a share" from 30¢ a year earlier. Sales also declined. Pres. Benjamin Abrams told annual meeting that factor in sag was sale last Nov. (Vol. 2:47 p11) of 86%-owned Emertron subsidiary to Litton Industries. He forecast that increased TV & phonograph volume would compensate for loss of Emertron revenue, noted that Emerson TV production is running far ahead of a year ago. Some 70% of production is in portables & table models. Combinations, he said, account for 5% of sales but contribute 15-18% of TV dollar volume. Abrams said Emerson will initiate production of its own color TVs in Aug., expressed "high hopes for the tape recorder business." Emerson sales of Telectro recorders accounted for "about 10%" of industry's 1962 sales of 600,000 units, Abrams noted. He said Emerson probably will exercise its option to buy control of Telectro Industries.

Sylvania is producing new line of RF amplifier tubes, with strap frame grid construction, for TV vhf tuners.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Adler Electronics	1962—6 mo. to Dec. 31	$ 10,856,000	——	$ 280,000	$ .42	667,680
	1961—6 mo. to Dec. 31	4,700,000	——	121,000	.18	——
Andrea Radio	1962—year to Dec. 31	5,760,965	——	318,079	1.25	254,136
	1961—year to Dec. 31	6,769,547	——	360,245	1.42	254,136
Arvin Industries	1962—year to Dec. 31	95,343,000	——	3,582,000	3.02	1,186,270
	1961—year to Dec. 31	73,701,000	——	2,432,000	2.05	1,137,609
	1962—qtr. to Dec. 31	31,802,000[1]	——	1,834,000[1]	1.55	1,186,270
	1961—qtr. to Dec. 31	22,843,000	——	1,251,000	1.05	1,137,609
Capital Cities Bcstg.	1962—year to Dec. 31	17,825,467	——	1,576,320	1.33	1,184,411
	1961—year to Dec. 31	11,803,781	——	1,088,197	.92	1,184,411
Clevite	1962—year to Dec. 31	101,175,033[1]	$ 12,782,236	6,562,236	3.38[2]	1,900,000
	1961—year to Dec. 31	91,874,140	10,020,689	5,142,689	2.63[2]	1,893,000
Emerson Radio	1963—13 wks. to Feb. 2	——	907,091	435,291[12]	.19	2,278,797
Story on p.11	1962—13 wks. to Feb. 3	——	——	679,507	.30	2,278,797
Globe-Union	1962—year to Dec. 31	69,440,000	——	2,024,000[8]	1.54[8]	1,316,823
	1961—year to Dec. 31	62,518,783	——	2,592,505[9]	1.96[9]	864,451
Herald-Traveler	1962—year to Dec. 31	34,822,277	——	1,572,577	3.33	472,397
(WHDH-TV Bastan)	1961—year to Dec. 31	34,706,976	——	1,657,658	3.68	449,901
Metramedia	1962—year to Dec. 31	53,069,751	——	2,489,639[1,10]	1.40[2]	1,707,682
	1961—year to Dec. 31	48,653,186	——	1,164,267	.67[2]	1,707,057
	1962—qtr. to Dec. 31	14,869,485	——	1,196,948[10]	.68[2]	1,707,682
	1961—qtr. to Dec. 31	14,110,634	——	761,989	.43[2]	1,707,057
Microwave Assaciates	1962—qtr. to Dec. 29	2,419,000	(135,700)	(63,400)[6]	—	1,017,700
	1961—qtr. to Dec. 29	2,938,000	280,000	118,200	.12	1,010,800
Minnesata Mining & Mfg.	1962—year to Dec. 31	687,085,773[1]	165,690,090	83,690,090[1]	1.61	52,565,117
	1961—year to Dec. 31	613,896,221	143,821,837	75,171,837	1.45	52,217,816
Oak Mfg.	1962—year to Dec. 31	30,591,623	1,791,031	907,031[1]	1.32	687,074
	1961—year to Dec. 31	23,017,077	1,182,662	557,662	.85	655,794
	1962—qtr. to Dec. 31[7]	8,100,000	——	268,000	.39	687,074
	1961—qtr. to Dec. 31	6,399,179	——	251,785	.39	655,794
RCA	1962—year to Dec. 31	1,751,646,000[1]	107,935,000	51,535,000[1,11]	2.84[2]	17,023,000
Story on p.11	1961—year to Dec. 31	1,545,912,000	64,911,000	35,511,000	1.95[2]	16,628,000
	1962—qtr. to Dec. 31	486,173,000	38,057,000	17,257,000[13]	.96[2]	17,023,000
	1961—qtr. to Dec. 31	455,849,000	20,623,000	11,723,000	.66[2]	16,628,000
Rollins Bcstg.	1963—9 mo. to Jan. 31	5,915,663	——	436,419	.46	957,001
	1962—9 mo. to Jan. 31	4,661,990	——	356,186	.37	955,183
Storer Bcstg.	1962—year to Dec. 31	——	13,186,654	6,353,326[5]	2.61[1]	2,438,784
	1961—year to Dec. 31	——	9,848,333	4,453,681	1.80	2,473,917
	1962—qtr. to Dec. 31	——	——	1,853,407	.76	2,438,784
	1961—qtr. to Dec. 31	——	——	1,718,597	.70	2,473,917
Technicalar	1962—year to Dec. 29	57,927,893	——	149,969[3]	.06	2,640,478
	1961—year to Dec. 29	55,026,550	——	1,744,963[4]	.67	2,623,218
Thampson Ramo	1962—year to Dec. 31	460,314,000[1]	25,204,000	12,454,000	3.25	3,738,231
Waaldridge	1961—year to Dec. 31	409,077,000	12,668,206	6,459,206	1.71	3,588,464
Zenith	1962—year to Dec. 31	312,212,334[1]	40,937,068	19,637,068[1]	2.16	9,104,029
Story on p.11	1961—year to Dec. 31	274,167,987	38,354,788	18,014,788	1.99	9,031,542

Notes: [1] Record. [2] After preferred dividends. [3] After $604,000 loss from inventory write-downs & non-recurring charges. [4] Includes non-recurring income of $265,315. [5] Includes net gain of $911,459 from sale of radio WWVA Wheeling, W.Va. in Jan. 1962. [6] After $72,300 tax credit. [7] Indicated. [8] Includes non-operating gain equal to 10¢ a share. [9] Includes non-operating gain equal to 53¢. [10] Before credits totaling $2 million ($1.17) from disposition of certain assets. [11] Before net capital gain of $6,960,000 (41¢) from sale of 991,816 Whirlpool common shares. [12] Before "substantial gain" from sale of 86%-owned Emertron subsidiary to Litton Industries.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Amphenol-Borg Elec.	Q	$0.20	Mar. 29	Mar. 15
Bendix	Q	.60	Mar. 30	Mar. 8
Globe-Union	Q	.22	Mar. 15	Mar. 8
Rollins Bcstg.	Q	.10	Apr. 25	Mar. 25
RCA	Q	.35	Apr. 29	Mar. 18
Time Inc.	Q	.75	Mar. 11	Feb. 28
Wells-Gardner Elec.	Q	.30	Mar. 15	Mar. 8

Boston Herald-Traveler's revenue from broadcasting increased in 1962 to nearly $9.5 million from 1961's approximate $9 million (see financial table). Declines in newspaper circulation & advertising, however, coupled with increased expenses, dropped earnings to $1.6 million from $1.7 million in 1961.

Reports & comments: **AB-PT**, CBS & **Metromedia**, comments, Ross & Hirsch, 120 Broadway, N.Y. 5 • **United Artists**, memo, Bache & Co., 36 Wall St., N.Y. 5 • **RCA**, comment, E. F. Hutton & Co., 61 Broadway, N.Y. 6.

NAB LIBRARY
MAR 11 1963

WEEKLY
Television Digest

MARCH 11, 1963 NEW SERIES VOL. 3, No. 10

Albert Warren, Editor & Publisher, 2025 Eye St., N.W., Washington 6, D. C. Phone: 965-1985
David Lachenbruch, Managing Editor, 580 Fifth Ave., New York 36, N.Y., Circle 6-2215
Harold Rusten, Associate Editor, 111 Beverly Rd., Overbrook Hills, Philadelphia 51, Pa., Midway 2-6411
Michael H. Blake Jr., Assistant Editor, Washington. Charles Sinclair, Contributing Editor, New York
Edward M. Kelly, General Manager, Washington

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

LATENT HEAT IN RATINGS INVESTIGATION coming to surface. Nielsen on hottest spot as 'dominant' firm. Broadcasters defend need for ratings, but agree more accuracy required (p. 1).

BLOW TO DROP-INS PUTS FOCUS ON UHF. FCC votes tentatively, 4-3, to reject addition of vhfs to 7 cities. Enid 'move-in' approved. 'CUB' meeting attracting industry's first string (p. 2).

POUNDING ON HOUSE'S CLOSED DOOR, by Harris, Meader, industry, seen beginning to weaken ban on TV-radio, at least for committee hearings (p. 3).

BROADCASTERS LAUNCH OFFENSIVE AGAINST 315 at hearings before House Communications Subcommittee on equal-time suspension for 1964. Stanton, Sarnoff, Collins urge complete repeal (p. 3).

ADMEN GET TOUGH WITH TV: Colgate-Palmolive's David Mahoney demands 'guaranteed audiences' with make-goods if level sinks below mark; Y&R hires BAR to monitor all agency's commercials in top 75 markets (p 4).

LICENSE FEES UP AGAIN. FCC staff recommending some changes from original proposal. TV-AM-FM unchanged except for educators' exemption (p. 5).

FTC ISSUES TONED-DOWN SANDPAPER CASE ORDER against Colgate & Ted Bates after Court remands original decision for being too sweeping in scope (p. 5).

CELLER TV NEWSPAPER PROBE to find great decline in joint newspaper-radio ownership percentage, status quo in newspaper-TV combines (p. 6).

Consumer Electronics

NEW RCA COLOR CHASSIS, though used with 70-degree tube, 'goes 90% of the way to 90-degree chassis' (pp. 7 & 9).

10 NEW STEREO MARKETS opened by 14 new stations since Dec. 10. Some 2 million stereo receiving units predicted for 1963 (p. 8).

FRANCHISE CASE HOLDS LITTLE THREAT for TV industry, manufacturers' lawyers tell us in analysis of Supreme Court's 5-3 decision in White Motor's favor. TV industry's distribution pattern differs from that which got truck maker in trouble (p. 8).

LATENT HEAT IN RATINGS INVESTIGATION: If strong words mean anything, Rep. Harris's (D-Ark.) TV-radio ratings hearing has some rough sessions ahead. Time & again committee members wondered about "fraud," "misrepresentation," "coercion." And they mentioned "remedies" such as: FCC licensing, FTC orders & trade practice rules, uniform standards of practice—even Justice Dept. prosecution. This week, rating services will have their day in court—have opportunity to counter uncomfortable charges.

Special Investigations Subcommittee sought to show that rating techniques are faulty but nonetheless have major role in determining what public sees & hears—and that Nielsen has "monopoly" on rating business.

NAB Pres. Collins was first witness. Though he started out as NAB chief with grave doubts about ratings, he now seems convinced of need for them—but remains skeptical of their accuracy. "We must determine," he said, "whether they deserve acceptance as reasonably accurate projections of the true broadcast audience." NAB Research vp Melvin Goldberg accompanied Collins, said NAB is eager to help improve techniques.

CBS-TV Network Pres. James Aubrey said "ratings are lifeblood of business," concluded they "fall short of the ideal," can be used only as estimates. However, he pointed out, "ratings are used by all advertising agencies with which we deal. Since our sole financial support comes from payments by advertisers, we

cannot afford to ignore the tools in determining their purchases of programs & time," and advertisers are "primarily interested in audience size." (In 1962, CBS-TV spent $307,000 for ratings—$271,000 to Nielsen, $36,700 to ARB, $100 to Pulse.)

Thomas Moore, vp charge of ABC-TV, asserted that Nielsen "does not always reflect the true popularity of ABC programming"—because ABC-TV doesn't have primary affiliates in a large number of markets. This is particularly true in news & public affairs, he said.

NBC-TV Programs vp Mort Werner also stated that ratings are "estimates," can't be used in raw form but must be analyzed by network researchers. Much criticism of ratings arises, he said, from minority of audience which likes an "unpopular" program that is replaced or dislikes a "popular" show retained. Werner insisted that ratings "are essential in soliciting & justifying advertising expenditures that support our program service." (In 1962, NBC-TV spent $342,500—$285,000 Nielsen, $39,000 ARB, $2,500 Trendex, $3,000 Pulse, $13,000 TvQ.)

Werner was asked about programs dropped. He said they suffered "audience failure," according to Nielsen figures. Rep. Springer (R-Ill.) asked rhetorically: Suppose we were to show that Nielsen doesn't always do what it says it does? Hearing abounded with such comments.

Much of committee concern about Nielsen, and its "dominance," stemmed from size of its sample. According to Rep. Brotzman (R-Colo.), Nielsen's 1,100 homes is an "infinitesimal part" of nation—and he was most aghast at fact that there isn't an Audimeter in any Mountain Time Zone state. Rep. Moss (D-Cal.) also was irked, asserted Nielsen sample doesn't take into account growth of West in last decade. In fact, committee members said they believe sample has changed little since 1947, actually has many of same homes.

ABC Radio Pres. Robert Pauley stated there are glaring discrepancies between Nielsen Radio Index (network report) and Nielsen Station Index (local report). According to Nielsen, he said, one ABC Radio program reached 313,800 homes on 14 stations, compared with 297,000 homes on 245 stations including those 14 stations—for same program in same time period.

Victor Sholis, WHAS-TV Louisville vp, called for FTC action to cure "rating addiction," said there's no way to gauge validity, reliability or integrity. As for recent FTC consent decrees on ratings (Vol. 3:1 p2), Sholis said they allow rating services to "simply tell the buyer he is getting numbers for which no one will claim reliability or authenticity."

Pat Weaver, former NBC chmn., now chmn. of McCann-Erickson International, defended ratings as "a guide" but said "absolute reliance" shouldn't be placed on them.

FTC Chmn. Dixon, after discussing the consent decrees, noted that FTC is still checking several unspecified rating cases. Rep. Springer told him that rating services, after decree, can still carry on essentially as before.

Mark Wodlinger, gen. mgr. of new WZZM-TV Grand Rapids, complained that neither Nielsen nor ARB would adjust reports to treat WZZM-TV equitably with competitors in Grand Rapids & Kalamazoo. He said services were reluctant to change because competitors complained.

BLOW TO DROP-INS PUTS FOCUS ON UHF: In near-final showdown, FCC voted 4-3 against dropping in short-spaced vhf channels in 7 major markets; but short-spaced "move-in" of Ch. 5 from Enid to Oklahoma City was approved. Vote was "instructions to staff," not final decision—but such instructions normally are unchanged in final action. Majority: Minow, Bartley, Lee & Henry. Minority: Hyde, Craven & Ford.

There has been such strange alignment of forces on the 7 drop-ins (Vol. 3:8 p1) that industry ends up about 50-50 pro & con in reaction to FCC vote. Such a close vote in such an important matter stand some possibility of reversal. For example, if Chmn. Minow leaves before final decision (which may take substantial time to prepare), his successor might vote for drop-ins, reversing whole picture. Kenneth Cox's ascension to commissionership won't change picture—because he's for drop-ins, just as his predecessor Comr. Craven is. (Cox's approval by Senate is expected momentarily.)

As of now, therefore, following cities will not get another vhf: Johnstown, Baton Rouge, Dayton, Jacksonville, Birmingham, Knoxville, Charlotte. FCC will have to do some fancy decision writing to back

up its turndown — squaring it with decisions it has written for move-ins such as Providence & New Orleans. In such cases, Commission pointed to need for more competition, aid to 3rd network, etc. Pro-drop-in forces, such as ABC, aren't giving up, of course. They'll do utmost to achieve reversal in final decision.

• • • •

Some uhfers took heart from drop-in rejection, presumably will file for uhfs in the 7 markets if final decision sustains current FCC view. Thus, there's much more interest in FCC-sponsored uhf-development conference in Washington March 12. Some 200 representatives of govt. & industry are expected to participate in first meeting of Committee for the Full Development of Uhf Broadcasting (CUB). Most organizations are very serious about session, plan to send in their first string men. Comr. Lee heads CUB, with Comr. Henry 2nd in command. Lee's engineering asst. Bud Weston is exec. secy.; his legal asst. George Smith is legal counsel; his former legal asst. Arthur Gladstone is special counsel.

In anticipation of all-channel-set law, meanwhile, uhf-equipped set production continues to rise. It was 12% of total output last month, vs. 8% in Jan. 1962, 7% in Jan. 1961, 9.5% in Dec. 1962.

To sweeten uhf further, FCC is expected shortly to ease several transmitting requirements as long proposed—affecting audio power, DAs, vestigial sideband, etc.

POUNDING ON HOUSE'S CLOSED DOOR: Televising of House activities, primarily committee hearings, came substantial step nearer reality last week. With the immovable late Speaker Sam Rayburn no longer an obstacle, with new Speaker McCormack (D-Mass.) willing to go along with elimination of ban if House so indicates, with Commerce Committee Chmn. Harris (D-Ark.) actively pushing for it—the day of House telecasts is definitely foreshadowed.

Rules Committee heard testimony on resolutions by Harris, Meader (R-Mich.) & Griffiths (D-Mich.). First 2 would permit only coverage of committee hearings; Griffiths entry would allow coverage of House itself. Only Harris & Meader testified—and several Rules Committee members showed they were definitely queasy about whole thing. For example: Rep. Brown (R-Ohio) feared there would be one-sided presentations by telecasters, through editing, etc. Harris acknowledged possibility of abuses but said that Congress shouldn't try to "manage" news, that potential good far outweighs potential evils. He pointed to public's eager welcome of Senate committee hearings.

Meader felt open-door concept is finally getting somewhere (he has introduced such measures for decade), told us he believes Rules Committee would yield if broadcasters press now. NAB Pres. Collins will testify, no date set.

BROADCASTERS LAUNCH OFFENSIVE AGAINST 315: TV-radio industry's biggest guns traveled to Washington last week, fired opening salvos in latest battle against Communications Act's equal-time provisions. Hearings were before Rep. Rogers's (D-Tex.) Communications Subcommittee on H.J. Res. 247, to suspend Sec. 315 for 1964 Presidential & Vice Presidential races, as in 1960.

But broadcasters led by CBS Pres. Frank Stanton & NBC Chmn. Robert Sarnoff urged complete repeal of Sec. 315. They were joined by NAB Pres. Collins. FCC Chmn. Minow limited his testimony to suspension in 1964.

Stanton got most extensive grilling by Subcommittee, mostly from Rep. Moss (D-Cal.). Stanton contended broadcasters should be sole judges of which candidates were qualified & entitled to air time, said candidates should be required to submit manuscripts in advance of broadcasts. Moss had his doubts about this. "I don't want anyone between me and my audience telling me what to say, and I don't see where the public is served if there's a chance of that occurring," he told Stanton.

Stanton said broadcasters could be trusted to act fairly in presenting candidates of opposing views, said temporary suspension in 1960 proved that Sec. 315 is "an unnecessary and crippling strait jacket, into which broadcasters, singled out among all media, are forced." Moss asserted broadcasters shouldn't have same freedoms as press, claimed that latter's freedom was granted by Constitution, while broadcasting's

isn't. Asked by Stanton whether this meant he was making distinction between electronic & printed journalism, Moss replied: "Don't trap me into that."

Sarnoff urged language of "suspension" resolution be revised to allow appearances by aspirants not yet nominated. In 1960 suspension applied only to "nominees." Minow suggested Congress determine who were qualified "nominees" entitled to time.

Minow told Subcommittee that 1960 suspension "resulted in a wider and more effective coverage of the major candidates for President & Vice President and did not present any serious administrative problems for the broadcasters or the Commission." Similar action in 1964 would provide broadcasters with another good opportunity to evaluate effects of temporary removal of equal time requirements, he stated.

Collins testified that Sec. 315 is "legal strait jacket [which] requires more than piecemeal removal." He said NAB would support temporary suspension in 1964, but would prefer that it applied to all candidates—national, state, local.

Aligned against broadcasters were spokesman for American Civil Liberties Union, International Brotherhood of Teamsters, Socialist Labor Party. ACLU Washington Dir. Lawrence Speiser said broadcasters didn't do justice to minority parties during 1960 suspension, said First Amendment was written not to allow speech by favored few, but to preserve free speech for all. Labor Party spokesman Eric Haas warned that repeated suspensions of equal-time will lay foundation for eventual complete elimination.

Prognosis is for another suspension similar to 1960's, no action to eliminate Sec. 315 entirely.

NBC last week announced it will finance study by American Political Science Association to determine best format for 1964 Presidential campaign TV debates. Study will be carried out by group of political scientists & communications experts, headed by APSA Pres. Carl J. Friedrich.

ADMEN GET TOUGH WITH TV: Madison Ave. tossed bombshell at TV networks last week in form of demand by one of industry's top admen, David J. Mahoney, exec. vp of Colgate-Palmolive and man who largely controls C-P's multi-million-dollar network & spot TV spending. Speaking before ANA's TV workshop in N.Y., Mahoney laid it on the line—he wants TV to "guarantee audiences."

What Mahoney proposed was advertiser's answer to problem of huge gamble facing network TV clients who must, as Mahoney put it, "put good money on the line for long periods of time on unknown quantities with no assurances." Answer lies, he said, in developing audience guarantee techniques akin to Audit Bureau of Circulation figures in print media.

If advertiser backs a flop he should be "offered additional time free of charge until original levels are met." At same time, he should be protected if he has a high-rated hit on his hands, Mahoney urged.

C-P adman cited horrible-example cases of programs losing considerable advertising efficiency because of price hikes or network time switches. *Sing Along with Mitch*, he charged, was 44% less efficient in new slot which delivered smaller audiences. *Dr. Kildare*, riding crest of medical-show popularity, climbed 73% in cost in 3 seasons, and suffered 94% efficiency loss from previous level. *Perry Mason* lost 21% of its efficiency with switch to week night spot, he said.

Mahoney had some other jolts for TV besides opening blast in what may develop into widescale campaign by advertisers for circulation guarantees. He urged networks to work out system for pre-testing new shows to iron out kinks. (CBS announced coincidentally last week that it would do just that with 2-week pre-TV run of *Calamity Jane* with Carol Burnett before live audiences in Dallas this June.) He also urged more regional network TV shows so advertisers can test-market new products.

On another Madison Ave. front, Young & Rubicam, one of top TV-radio agencies, announced it had signed 2-year pact with Broadcast Advertisers Reports (BAR) to watchdog agency's TV schedule, providing audited report on every Y&R network & spot TV commercial on every TV station in top 75 markets every day of year, 24 hours a day.

Move was hailed as "major advance" in area of TV proof-of-performance. System will check: (1) Whether commercial ran when it was supposed to. (2) Whether placement adheres to agency's standards for "product protection & over-commercialization." (3) What is happening within 60 product-class categories among TV clients competitive with those of Y&R.

License Fees Up Again: Though industry was vociferous & virtually unanimous in opposition to FCC's proposal to charge for its licensing activities (Vol. 2:7 p2), Commission staff again recommends adoption of plan. It's understood they are putting following before commissioners:

(1) Broadcasting—no change from proposal (Vol. 2:7 p2), except noncommercial stations operated by tax-exempt organizations would be exempted.

(2) In safety & special services, there'd be no fees for Police, Fire, Forestry-Conservation, Highway Maintenance, Local Govt., State Guard, Hospitals, Disaster Relief, non-profit Ambulance, Rescue, Beach Patrol, School Buses, RACES.

(3) For Amateurs: novice applications cut from $5 to $2; modifications cut to $3; special call signs raised from $5 to $20. All others remain at $5.

(4) Citizens Band applications remain at $10, except for Class A, which goes to $15.

(5) Ship Inspection—no fee.

(6) Commercial operators—no change.

(7) Experimental—no fee.

(8) Common carrier—Sec. 214 applications cut from $25 to $10 for telegraph, from $100 to $50 for telephone.

(9) Common carrier & private point-to-point microwave applications both set at $50, $5 for renewals.

(10) Domestic Public Land Mobile—cut from $150 to $100, renewals from $75 to $25.

Alleged blackmail attempts by principals of WALA-TV & WALA Mobile will be subject of FCC revocation hearing. Commission announced that there are charges (denied by station) that some of its principals: (1) Demanded money from local architectural firm as price of stopping stations' editorial attacks on firm's work on municipal auditorium. (2) Tried to coerce candidate for sheriff to buy time. (3) Charged 50% extra for political time, violating Communications Act. (4) Gave candidate for city commissioner preferential treatment. In addition, FCC said, 100% owner W. O. Pape is ill, doesn't control station.

Overseas TV stations in 1962 jumped from 2,047 to 2,641, an increase of 29%, according to 52-page USIA report, "Overseas TV Developments in 1962." Of these, 2,092, including 426 new, were in non-communist bloc nations, while 549 (168 new) were in communist countries. Seven nations & territories initiated TV in 1962: Gibraltar, Malta, Trinidad-Tobago, Morocco, Indonesia, Taiwan and Kenya. TV's most spectacular growth was in Japan, where 4,151,100 new sets were added, making total of 12,837,100 sets in use.

FM simplex operation for storecasting, etc., is about to be proposed to FCC by its staff. Also due soon is proposal to require joint AM-FM operators to divest themselves of AM or FM station, eventually. Neither proposal stirs any enthusiasm among commissioners.

TvB will hold all-day sales clinics in 101 cities from April through June this year, increase from 17 cities in each of last 3 years.

Six transistorized RCA TR-22 TV tape recorders have been purchased by MGM Telestudios to replace existing equipment.

FTC's Toned-Down Sandpaper Order: Federal Trade Commission eased off in Colgate Rapid Shave "sandpaper" decision (Vol. 2:48 p3), issued modified order after original blunderbuss decision was sent back by Boston Circuit Court of Appeals.

Case involved use of TV mock-ups to compensate for deficiencies in photography—substitution of sand-coated plexiglass for sandpaper to demonstrate shaving cream. FTC issued order forbidding Colgate & agency Ted Bates from using "spurious mock-ups or demonstrations for any product." Court remanded case to FTC, told agency to be more specific.

In new proposed order last week, written by Comr. Elman, Commission agreed original finding could be interpreted to exceed scope of FTC's intent. Under new order, Colgate & Bates are forbidden to use mock-ups to demonstrate claims for specific quality of a product. However, FTC now states that mock-ups are permissible if no direct representation is involved. It notes: "There is nothing objectionable in showing a person drinking what appears to be iced tea, but for technical photographic reasons is actually colored water, and saying 'I love Lipsom's tea,' assuming the appearance of the liquid is merely an incidental aspect of the commercial, is not presented as proof of the fine color or appearance of the tea, and thus in no practical sense would have a material effect in inducing sales of the product."

Commission added that if it should prove too difficult to present truthful demonstration to prove claim for a product, "the seller may be obliged to forego use of the demonstrated form of advertising in that medium."

Bob Hope entertained TV-radio executives with stream of "inside" jokes at March 6 banquet of International Radio & TV Society, at which he received organization's Gold Medal Citation. In turn, he paid tribute to "you men who gave stomach acid to the world." Referring to banquet as "a Newton Minow rally," he quipped: "At $30 a plate, this may be the start of pay TV. If you're not satisfied with the seating arrangements, don't complain to the committee—complain to Nielsen." Commenting on "great changes in TV these days," he observed: "We have Telstar international TV, and CBS is trying out color. They didn't jump right in—they sent in Lassie first to see if it was safe. . . . When Frank Stanton saw color on Ch. 2, he sent for a repairman."

Video tape advances: Dropout compensator which plugs into TV tape recorders and eliminates dropouts, caused by dirt or balling effect on oxide tape coating, has been announced by Minnesota Mining's Mincom div. at $3,250. Using tunnel diode and delay circuit, device substitutes information from preceding scanning line when dropout occurs. Meanwhile, commercial packager Al DeCaprio announced that 30 different scenes were used in single commercial on Feb. 24 *GE True Hour* by means of Editec electronic editor—a feat previously impossible. Editing was done at Videotape Center, N.Y.

First GE Talaria color-TV projector for National General Corp's theater-TV network (Vol. 3:9 p3) will be installed in Grauman's Chinese theater in Hollywood, NCG Pres. Eugene V. Klein said last week. He estimated NCG's initial investment in projectors at about $10 million.

CELLER TV-NEWSPAPER PROBE: Congress has always found newspaper-broadcasting relationships fascinating, always a matter of concern of "dominance" of a community's news medium—undoubtedly because it's congressmen's job to be extremely sensitive to public opinion.

Therefore, Rep. Celler (D-N.Y.) is on to a lively topic when his Anti-Trust Subcommittee starts hearings March 13 (Vol. 2:3 p4) on "monopoly" in newspaper-TV-radio area. FCC Chmn. Minow is first witness—and hearings are scheduled to run 11 days over 4-week period.

Actually, because of great increase in number of radio stations, there's been great decline in percentage of radio-newspaper joint ownerships. In TV, situation has stayed about same in last decade.

Daily newspapers owned about 31% of the 801 radio stations operating in 1941. At that time, there were 110 cities in which there was joint ownership of the only station & only newspaper in town. Now, only 9% (330 of 3,793) of stations have newspaper affiliates, while only 77 cities have sole station & sole newspaper in same hands.

TV-newspaper combinations have remained at about 25% of stations since 1953; of 563 stations authorized today, 130 are newspaper affiliated. In 1959, 19 cities had the only newspaper & the only TV station jointly owned; figure has risen to 25 today.

Some 40 witnesses have been called. Among more prominent: FTC Chmn. Rand Dixon, Asst. Attorney Gen. Lee Loevinger, newspaper magnate Samuel I. Newhouse, Los Angeles *Times* Pres. Norman Chandler and Los Angeles *Times* Publisher Philip Chandler. Hearings were sparked by demise of 2 Los Angeles dailies—*Examiner* & *Mirror*, in late 1961. Celler wants to find out whether anti-trust laws are being violated in cities where single owner controls more than one paper or where paper controls only TV station. He also says he wants to determine whether newspaper ownership of a city's sole TV station results in "one-sided" news coverage & editorials.

■

Disinterest of viewers in public affairs programming, a finding somewhat similar to Steiner report's (Vol. 3:8 p2), was reported last week by Melvin Goldberg, NAB research vp, in talk to American Orthopsychiatric Assn. meeting in Washington. Study conducted 18 months ago showed that two-thirds of viewers aren't interested in this fare, he said. In fact, he said, "one-half of this group (one-third of total viewing public) will actually turn to another channel rather than watch any public affairs program." Goldberg said "roughly 12%" of total viewers have interest in public affairs shows. Until Aug., Goldberg was WBC research dir. It is understood study was conducted by ARB in 5 markets.

GE is forming broadcast subsidiary, setting up chain of command which is expected to satisfy FCC's worries stemming from anti-trust convictions. Renewal of Schenectady licenses should follow soon.

FCC's new logging rules, covering automatic devices and involving all TV-AM-FM stations (Vol. 3:8 p5), are available in full text (28 pp.) from Seabrooke Printing Co., 514 10th St. NW, Washington, at $1.82.

Personals

Arthur Zeigler promoted to MGM-TV business affairs dir., succeeding Jason Rabinovitz, elected treas., MGM Inc. . . . Fred E. Walker, ex-radio KYW Cleveland sales mgr., named radio KDKA Pittsburgh gen. mgr., succeeding late Lester Rawlins.

Alvin Sussman, ex-Universal Entertainment Corp. exec. vp & sales dir., appointed WBC Program Sales Inc. vp & gen. mgr. . . . Robert H. Alter promoted to RAB national sales vp.

Berton Schneider, Screen Gems treas., Russell Karp, secy., & Pierre Marquis, advertising & sales planning dir., elected vps . . . Ted Austin named WSOC-TV Charlotte program dir.

James L. O'Connor, former Pathe East Coast Labs vp, appointed RKO Phonevision vp & gen. mgr., Hartford, succeeding Charles O. Wood, now at RKO N.Y. hq.

David Schwartz, former CBS merchandise promotion dir., named KCOP Los Angeles merchandising mgr. . . . John Abernathy promoted to KOGO-TV San Diego merchandising mgr.

Boris Frank, ex-Bartell Bcstg., named Latin America mgr. of new Screen Gems International Broadcast Div. . . . Harold M. Spielman appointed new business senior vp & asst. to chmn., Schwerin Research Corp.

Bill McBride promoted to WOW-TV Omaha station mgr., succeeding C. A. Larson, resigned . . . Lad F. Hlavaty, ex-KCRG-TV & KCRG Cedar Rapids chief engineer, named to similar post with WQAD-TV Moline.

James M. King, ex-TvAR, appointed KDKA-TV Pittsburgh sales mgr., succeeding Henry V. Greene Jr., recently named Westinghouse Bcstg. national TV sales mgr. . . . Richard C. Shepard, ex-radio WGR Buffalo station mgr., appointed WKBW-TV local-regional sales mgr.

Mike Jarvis named WLWC Columbus, O. sales service dir., succeeding Jim Lackey, who becomes account exec. . . . Thurston S. Holmes appointed KERO-TV Bakersfield promotion & PR dir.

■

Survey of 307 New Yorkers by BBDO, on effects of newspaper strike, discloses that 80% rely on TV as main source of news. Radio was 2nd, followed by newspapers & magazines. But 79% felt news reporting wasn't as complete or convenient as they desired.

Ratings for season to date (Oct. 1 through Feb. 1) show it's banner year for CBS-TV in national Nielsens. CBS's average audience level at night has been 21.1 or nearly 10.5 million homes at any average minute, representing lead of 18% over NBC-TV (17.9) and 43% lead over ABC-TV (14.7). In daytime (7 a.m.-6 p.m.), CBS scored 8.5 AA, 46% edge over NBC (5.8) and 125% lead over ABC (3.8). In nighttime ratings, CBS had 8 of top 10 shows, 16 of top 20, 21 of top 30, 24 of top 40.

NEW HEADQUARTERS

We're now in our new offices at 2025 Eye St., N.W., Washington 6, D. C., with new phone: 965-1985. We've also installed TWX in Washington (202-965-0979) & N.Y. (212-640-6938). Please change your records.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

NEW COLOR CHASSIS FOR SPRING-SUMMER DEBUT: Most of industry will adopt major changes in color TV circuitry this spring & summer—about same time as bulk of set manufacturers begin phasing into own full production of color sets.

New chassis was designed by RCA as part of its development program for 90-degree round 21-in. tube. Chassis will use current 70-degree tube, but it's understood that most of circuitry will be directly adaptable to 90-degree picture tube, when ready. As one set maker expressed it, "this goes 90% of the way to a 90-degree chassis." At least 4 of the 5 printed-circuit boards are expected to remain unchanged when 90-degree tube becomes available.

RCA's strategy in changing chassis now apparently is that this move will make transition to 90-degree set easier. When 90-degree tube is available, only new deflection yoke and minor circuit modifications will be necessary. New chassis, designated CGC-15, supersedes CGC-12, introduced last June. Its performance is said to be similar.

Chassis won't be announced until "1964" color sets are premiered; RCA has maintained complete silence, but it's understood its own changeover is coming this month. Most others will switch somewhat later.

As to 90-degree round color tube which RCA shelved last Nov. (Vol. 2:49 p7), consensus of industry thinking now is that it will be produced, and that it may go into color sets during first quarter of 1964. Widespread use of rectangular tubes may come about year later. Corning has indicated to manufacturers it may supply preliminary samples of 25-in. 90-degree rectangular color bulbs for their "guidance" in month or so, with production-type samples between mid-year and early fall.

RCA, meanwhile, has reiterated its intention to discontinue supplying complete color sets and certain components to other set makers after Dec. 31, 1963. Letter to set makers 3 weeks ago reminded them of deadline. All major manufacturers who are not now making own color sets—with one exception—are planning to be in volume production with new line (and new CGC-15 chassis) this summer.

RCA will continue to supply special color parts which are not made in its Bloomington, Ind., color receiver plant, after Jan. 1, 1964. These include yokes, flybacks, power transformers, picture tubes—items which RCA normally sells in both black-&-white & color. It will discontinue selling parts — such as printed-circuit boards — which other manufacturers can make or obtain elsewhere.

RCA has already discontinued sale of color "kits." These included 475 parts & components—virtually complete unassembled color set. Most of these parts were standard items, and RCA gave its customers list of vendors for these parts so they could negotiate & purchase on their own from own suppliers. (For list of set manufacturers and their color plans, see p. 9).

10 NEW FM STEREO MARKETS OPEN: Growth of new FM stereo markets has slowed down considerably from mid-1962's rush. As our last survey indicated, transmitting equipment manufacturers say orders now are only trickling in (Vol. 2:50 p12).

Check of FCC files, however, indicates at least 14 FM stations have started stereocasting since our Dec. 10 survey listed 200 on air in U.S., 9 in Canada. What's more important, 10 of these stations open new markets for FM stereo equipment. This figure of 14 new stations is minimum, since many stations don't notify FCC until some time after start of stereocasting.

The 200-plus FM stereo markets absorbed more than million FM stereo radios last year, according to our own projection of recently released EIA figures which showed total of 767,539 TV-radio-phono & radio-

phono combinations sold last year contained FM stereo (Vol. 3:8 p9). Add an estimated 250,000 component FM stereo tuners and perhaps 40-50,000 FM-stereo table radios and the figure climbs well over million, not including imports. Our guesstimate for 1963 is that about 2 million, or approximately 50%, of FM receiving devices sold in U.S. will contain FM stereo.

We'll print another complete list of operating & upcoming FM stereo stations in a future issue. Until then, if you're keeping track of stations on air, you can add these to list in our Dec. 10, 1962 issue (Vol. 2:50 p13). If you no longer have your copy of list, our Washington hq will be happy to send one on request. List below (by states & cities) indicates new FM stereo markets with asterisk:

California—*Long Beach, KNOB; *Palm Springs, KDES-FM.

Illinois—*Bloomington, WJCB-FM.

Indiana—*Evansville, WIKY-FM.

Kentucky—*Owensboro, WSTO.

Massachusetts—*Worcester, WTAG-FM.

New Jersey—*Atlantic City, WFPG-FM.

North Carolina—*Hickory, WHKY-FM & WIRC-FM.

Tennessee—*Sevierville, WSEV-FM.

Texas—Ft. Worth, KXOL-FM; KQUE.

Wisconsin—*Kenosha, WAXO; Madison, WHA-FM.

(If you find it necessary to keep up with new FM stereo starters on weekly basis, we suggest that you add our weekly AM-FM Addenda service to your subscription. Among other items, Addenda list FM stereo starts as soon as they're reported to FCC. Rates on request.)

Adoption of stereo standards for Europe seems several years off. FCC Chief Engineer Edward Allen tells us it looks as if such standards won't be finally considered until next plenary assembly of CCIR in France some time in 1966—though there's nothing to stop individual countries from establishing own standards, just as we did.

Allen reports that at a preliminary conference last June, in Bad Kreuznach, Germany, there was great decl of support for our standards. However, there was a major backing off, notably by United Kingdom & Russia, at recent CCIR Study Group IX meeting in Geneva Jan. 15-Feb. 15. UK representatives indicated they want more study—and Russians can't use our standards because their FM has 50-kc deviation, compared with our 75-kc.

FRANCHISE CASE HOLDS LITTLE THREAT FOR TV INDUSTRY: It's not illegal per se for manufacturers to grant franchised distributors & dealers exclusive sales territories, U.S. Supreme Court ruled last week in 5-3 decision in White Motor Co. case (Vol. 3:3 p8). Chief Justice Warren and Justices Black & Clark dissented.

Individual franchise agreements, however, could be in violation of Sherman Antitrust Act, Court declared, and should be examined individually to determine if they are in restraint of trade. Court returned test case to Federal District Court of Northern Ohio to determine White issues by trial. Latter court initially had ruled White's franchise arrangements illegal on their face, without trial.

We discussed case with TV industry lawyers & drew consensus that Supreme Court's decision has little literal meaning for TV manufacturers. Ramifications & nuances of case are being studied assiduously, of course, but there was general agreement after first reading of decision that home electronics industry's distribution setup is quite different from that of White Motor which brought it into conflict with Justice Dept.

"Electronics distributors retain their freedom," industry lawyers said, in effect. "They operate as independent businessmen, make their own decisions & policies. Manufacturers don't tell them whom to sell or at what price."

White's franchise arrangements set resale prices for wholesale distributors, restricted their territories, forbade them to sell certain customers (govt. agencies, large commercial buyers) without written permission. Justice Clark, in minority opinion, described these arrangements as "one of the most brazen violations of the Sherman Act that I have experienced in a quarter of a century."

Justice Douglas, writing majority opinion, noted that White matter was Supreme Court's first case involving vertical (between manufacturers and their distributors & dealers) territorial restrictions. "We know too little of the actual impact of that restriction & the one respecting customers to reach a conclusion on the bare bones of the documentary evidence before us," he wrote. "Such territorial limitations may be too dangerous to sanction or they may be allowable protections against aggressive competitors or the only practicable means a small company has for breaking into or staying in business."

In returning case for court trial, Justice Douglas pointed out that market allocations by competitors "are naked restraints of trade with no purpose except stifling of competition." Similar market allocations between manufacturer and its dealers & distributors "may or may not have that purpose or effect," he emphasized, adding: "We don't know enough of the economic & business stuff out of which these arrangements emerge to be certain."

COLOR MANUFACTURING PLANS: Preparing for Dec. 31 cutoff of color sets from RCA (see p. 7), most set makers hope to have their color production lines operating full blast by this summer. Here's rundown of 19 TV manufacturers and their color production plans & status:

Admiral—Began producing own color sets last Sept., discontinued buying complete sets at year's end; has started color ad & promotion campaign.

Andrea—Started own color production last summer.

Color Electronics Corp.—Now producing 120 sets weekly, according to Pres. Irving Kane, "and gearing up to do 500 a week." Brooklyn-based firm sells mainly to dept. stores under private labels & "Color by Kane" brand name.

Emerson—Beginning own production of Emerson & Du Mont color sets; will be in full production in June or July.

GE—Has been making own color sets since it resumed production in Spring 1961.

Magnavox—Has completed pre-production run at Greeneville, Tenn. plant, expects to be in full production by end of this month.

Motorola—Will resume color set production this spring or summer, possibly using 21-in. round tube in most models, and 23-in. rectangular tube it is developing with National Video in high-end Drexel furniture sets.

Muntz—Has announced it will be making color sets "late this year on a limited basis" (Vol. 3:4 p9).

Olympic—Will be producing own color sets before summer plant vacation shutdown.

Packard Bell—Has been making own color sets for more than 8 years.

Philco—Begins own manufacture in late Spring at Philadelphia plant.

Sears Roebuck—Warwick Mfg. Co., controlled by Sears, has been producing color sets since Aug. 1961, has just completed new plant & high-speed production line for color; "would like to make more than we're making, but we can't get the tubes." Pacific Mercury, also controlled by Sears, has announced no plans to produce color.

Sylvania—Will be making own sets "about Aug." Meanwhile, Sylvania, which has been buying color sets from Packard Bell, switches this month to RCA-built sets; will announce 3 new models soon (for total of 6).

Symphonic—No plans to enter color market.

Transvision Electronics—offering build-it-yourself color TV chassis kits at promotion price of $356 (normally $419); factory-assembled chassis at $526 (normally $619).

TraVler—Will have own set for private-label trade "some time this year" (Vol. 3:4 p9).

Wells-Gardner—Will be assembling own color sets by end of May. Color set customers include Montgomery Ward, W. T. Grant, Western Auto.

Westinghouse—No current plans to produce own color sets. Tentatively plans to negotiate for another supplier to replace RCA.

Zenith—Has been making own color sets since summer 1961; never bought from anyone else.

■

No sign of TV price hike was evident last week as Motorola introduced new version of its Tartan 19, the set which brought leader portable prices down to $140 range last year. New Tartan, priced at $139.88 like its predecessor, has handle, monopole antenna, front speaker, premium-rated tubes, polarized plug. Step-up model carries $149.95 suggested list. Also introduced was open-list 23-in. lowboy console with built-in magazine shelf. National sales mgr. C. P. (Chuck) Lloyd predicted U.S. console TV business will represent about 2 million units at $500 million this year. He said Motorola's 1963 unit sales should be "highest in the last decade if not in the history of the company."

"Was $79.95—Now $95." This could be caption on ad for Symphonic's imported 16-in. TV in Spiegel's newly issued sale book. Set which almost caused international incident has been repriced, as promised by Spiegel (Vol. 3:2 p11). At same time, step-up model was increased from $99.95 to $109. New prices include stand. Spiegel reported orders beyond expectations; it ran out of Symphonic sets and had to substitute other makes.

3M-Revere tape cartridge recorder will be sold beginning March 11 in 14 San Francisco-Oakland retail outlets.

Music Show exhibit hours have been changed by NAMM board as result of petition by L. M. Sandwick, EIA consumer products staff director. Pointing to poor attendance at EIA symposium during last year's Music Show in N.Y. (Vol. 2:27 p7), Sandwick blamed competition from exhibits, urged that exhibits open late during morning time reserved for meetings & seminars. Board voted to devote 8:30-10:30 a.m. to meetings, with exhibits open 10:30 a.m.-6 p.m. Mon.-Wed. (in place of former 9 a.m. opening) at this year's show July 21-25 in Chicago's Palmer House. Sunday exhibit hours will be 1-5 p.m., Thurs. 9:30 a.m.-noon. EIA's consumer products executive committee will decide during next week's EIA spring conference in Washington's Statler Hilton whether to present program at this year's Music Show.

Largest single order for closed-circuit cameras is claimed by RCA, which has received contract from Diebold Inc. for 250 cameras for use in 2-way "hear-see" communications at drive-in bank stations. Added feature of system is expected to entertain customers: On arriving at drive-in station, customer sees himself on TV. By pressing signal bar, he summons teller. Actual transactions are accomplished by high-speed pneumatic tube.

Raytheon, blaming price deterioration, will cease production of semiconductors at Lewistown, Me. by year's end, will close plant unless company finds other manufacturing operations which can be substituted. Last Nov. (Vol. 2:47 p9), Raytheon closed Lowell, Mass. semiconductor plant because of industry's overcapacity. Operations will continue at Raytheon's Mountain View, Cal. semiconductor plant.

There are more radios than people in U.S., Radio Advertising Bureau estimates. RAB said 200,258,000 radios were in operating order in U.S. Jan. 1, 1963, compared with 187 million Americans. It announced a record total of more than 24 million radios were sold last year, including more than 11 million portables. Figure includes 8 million imports from Japan, but no "toy" sets with fewer than 3 transistors.

RCA will package in clear plastic "skins," for self-service sales, various parts & accessories that have consumer adaptability. Parts & Accessories mgr. Paul B. Garver said program "should be a great aid to our distributors & dealers," noted that "self-service merchandising has revolutionized consumer packaging and we are making every effort to help the product sell itself."

Entering tape recorder field, Argus Inc., Chicago camera maker, introduced 3 models at last week's Master Photo Dealers Assn. Show in Atlantic City. Pres. Herbert R. Leopold termed move "natural diversification." It's estimated 40-50% of all tape recorders are sold by photo dealers. Formerly a Sylvania subsidiary, Argus was sold last April.

Distributor products div. has been established by Tele-PrompTer Corp. for its Weather (hi-fi components) & Conley Electronics (automatic tape cartridges) manufacturing divisions. Peter C. Funk, former Conley sales mgr., is national sales mgr. of new div., with hq at 50 W. 44th St., N.Y.

Admiral showed new hotel TV set at recent Chicago Hotel-Motel Show. The 19-in. model has built-in provision for AM, FM, & background music channels as standard equipment. Admiral also showed hotel-model 23-in. & color sets.

Distributor Notes: Preston B. Ray, former Westinghouse Credit Corp. regional mgr., joins newly formed Alcoa Credit Co. as vp-gen. mgr. • **Robert A. Rosen,** Zenith Radio Corp. of N.Y. ad & sales promotion mgr., resigns to become pres. of American Business Resources Corp., small business financing & management counseling firm • **Thomas F. Joyce,** Raymond Rosen & Co. pres., will be guest of honor at annual trade dinner March 12 of Home Furnishing Industries Div. of 1963 Allied Jewish Appeal, Warwick Hotel, Philadelphia. He'll receive special award for "outstanding humanitarian work." • **Motorola** has expanded territory of distributor **Braid Electric,** Nashville, from Nashville area to 12 Tennessee counties, 3 in northeastern Alabama, 7 in northwestern Georgia, formerly serviced by **Harwell Distributing Co.,** Chattanooga • **Philco Distributors** has formed San Francisco branch (Richard G. Evans, gen. mgr.; Paul Thomas, sales mgr.) 16th & Pennsylvania Sts., to serve territory formerly handled by **California Electric Supply Co.; Graybar Electric,** Los Angeles, Philco's southern California distributor adds Arizona territory formerly served by **Philco Distributors of Phoenix; L & L Distributors,** Tampa, will service Florida's Seminole & Lake counties, formerly handled by **PDI of Miami; J. E. Miller Co.,** Pittsburgh, named distributor for Pennsylvania's Mercer & Lawrence counties & Ohio's Columbiana, formerly handled by **Appliance Wholesalers Co.,** Youngstown; **PDI Cleveland** will absorb latter's Ohio counties of Mahoning, Portage, Trumbull & Cayuga • **Standard Radio** appoints **Techrep Associates,** Topsfield, Mass., sales reps for New England area. Techrep's **George Metzger & O. K. Makela** will operate as Standard Radio manufacturers reps.

—■—

Consumer electronics sales will increase about 12% at factory level to total of $2.35 billion from 1962's $2.1 billion. This was prediction by Commerce Dept. Business & Defense Services Administration—considerably more optimistic than EIA's forecast of 5% increase (Vol. 3:4 p10). Here are BDSA's estimates of 1963 factory sales (1962 figures in parentheses): Black-&-white TV, 6.8 million sets (up 5% from 6.3 million); radio, 20.5 million (up 7% from 19.2 million); phonos, 5.3 million (up 8% from 4.9 million). BDSA said average unit prices & profit levels should increase this year as result of higher output of color & all-channel TV and demand for higher-priced stereo. Consumer electronics' balance of trade, unfavorable last year ($55 million exported, $154 million imported), will continue to deteriorate as exports increase 9% to $60 million while imports climb 20% to $185 million. By years end, "imports may reach 8% of total domestic factory output" of consumer electronics.

Mergers & acquisitions: Cox Instrument dirs. have approved proposal to merge into **Lynch Corp.** (Vol. 3:6 p12) which owns 54.7% of former Peninsula Metal Products Co.'s 373,674 outstanding shares. Proposal still requires approval of stockholders of both firms. • **Transvision Electronics,** Yonkers, N.Y. maker of TV kits & educational electronic devices, and **Pacotronics Inc.,** Glendale, N.Y. manufacturer of test equipment & kit-packaged audio components, will merge into new company, Precision Apparatus Inc., if stockholders of both firms approve at special March meetings. Transvision Pres. Melvin S. Rosen would be pres. of amalgamated company.

Trade Personals

Harvey Williams, former Philco International pres., awarded France's Legion of Honor . . . **Joseph A. Lagore**, onetime Philco vp, elected pres., chief exec. officer & a dir. of Automation Alloys Inc.

Arthur C. Nerness named vp of RCA Victor Distributing Corp.'s Chicago branch, succeeded by **J. V. C. Harter** as vp of Atlanta branch.

Raymond B. Cox appointed Hoffman Electronics consumer & industrial products vp, a new post; **Robert L. Jablonski** continues as gen. mgr. of consumer products dept.

George D. Butler, Electra Mfg. pres., appointed govt. liaison committee chmn. of EIA's Parts Div., succeeding **E. E. Bauer**, resigned.

A. G. Conley named Revere tape cartridge systems sales mgr., a new post . . . **Palmer Derby** appointed asst. gen. mgr., Raytheon Microwave & Power Tube Div.

Joseph W. Barron elected administration & mktg. vp of General Precision's Link Div.

D. R. Small, former Olympic Radio & TV Special Radio Sales Div. sales mgr., forms Crest Sales Co., Norwood, Mass. manufacturers rep firm for New England states.

John W. Gilpin named Eitel-McCullough administration vp, a new post, continues as secy.

James W. Ritter appointed asst. mktg. mgr.-renewal, Sylvania Electronic Tube Div.

Reports & comments: Littlefuse, report, Walston & Co., 120 Broadway, N.Y. 5 • **P. R. Mallory**, comment, Cohen, Simonson & Co., 25 Broad St., N.Y. 4 • **CBS**, analysis, Courts & Co., 11 Marietta St. N.W., Atlanta 1 • **RCA**, report, H. A. Riecke & Co., 1519 Walnut St., Philadelphia 2 • **AT&T**, report, Gerstley, Sunstein & Co., 121 S. Board St., Philadelphia 7 • **CBS**, review, D. H. Blair & Co., 42 Broadway, N.Y. 4 • **Kansas City Southern Industries** (TV Shares Management Corp.), analysis, A. C. Allyn & Co., 122 S. La Salle St., Chicago 3.

Oak Mfg. earnings boomed in 1962 to record $907,031 from 1961's $557,662 as sales rose to $30.6 million from $23 million (see Vol. 3:9 p6). Unfilled orders at year's end totaled some $7.2 million vs. $4.7 million a year earlier, and Pres. Everitt A. Carter attributed over-all sales & profits upswing to increased production of TV tuners & greater activity in other than consumer electronics markets. TV components produced 35% of 1962 sales, industrial electronic products 27%, military electronics 18%, appliances 10%, other consumer products 10%. Noting that Oak recently restored regular quarterly dividend of 7½¢ a common share (Vol. 3:6 p11), Carter said payout represents 23% of 1962's net profit, added that Oak hopes to pay as much as 40% of net earnings in near future.

Ling-Temco-Vought stockholder has filed suit to recover for former Ling-Temco Electronics any profits which officers or directors of latter and Chance Vought made by trading securities of the 2 firms prior to their 1961 merger. Former Ling-Temco stockholder Henry H. Abrams, in suit filed in N.Y. Federal District Court, charges that 9 officials benefited by trading securities in 6-month period prior to merger.

In fight against foreign competition, "we cannot look to the govt. for protection; we must protect ourselves," noted Westinghouse Pres. Mark W. Cresap Jr. in special article in March 3 *Philadelphia Inquirer*. "U.S. industry must find its own solutions to the problems of the intensified competition that lies ahead," he said. "We will need cooperation & understanding from govt. & from labor," but industry will hold its own against foreign competition only if it "relies on itself, strips for action, and enters the arena prepared for a fight."

International Resistance expects 1963 sales to top 1962's record $29.4 million, but heavy expansion of facilities & products may hold profits below last year's peak $2.5 million. IRC will have "a major year of new product releases in virtually every product area at every plant location," Pres. Walter W. Slocum said. Marketing expenses will increase to 13% of sales from 1962's 11%, R&D spending will rise to $4.5 million from $4 million, and capital expenditures for "process & plant facilities will top $5 million—more than 2½ times 1961's investment. Slocum estimated that IRC's first-half net earnings rate would be "somewhat less than 6%" of sales, compared with about 8% in recent years. He sees 2nd-half earnings "somewhat higher."

MGM is in the red in fiscal-1963's 2nd quarter ending March 17, Pres. Robert H. O'Brien told stockholders meeting. He blamed unusually high production costs on several major films, said studio is considering plan to use some of its 173 acres at Culver City, Cal. for income-producing real estate operations to make it "easier" for company to make "satisfactory return on a smaller amount of assets." Chmn. Joseph R. Vogel was criticized by some shareholders for selling 12,000 of his 12,578 shares Jan. 9, the day he was succeeded as pres. MGM noted "encouraging outlook for the latter part" of fiscal 1963, said earnings rise was anticipated in fiscal 1964.

Hallicrafters earnings increased 19% in fiscal-1963's 2nd quarter, ended Feb. 28, to about $473,000 on 5% sales rise to estimated $16,580,000. Vp-treas. Edward Bishop Jr. said newly acquired (Nov. 1962) subsidiary Radio Industries Inc. is "contributing to profits." Pres. Robert F. Halligan "definitely" expects fiscal-year's sales to top fiscal-1962's $66.7 million, sees profits rising more sharply than sales. Hallicrafters earned $2 million in fiscal 1962. He said company will study feasibility of cash dividend at April board meeting.

Thompson Ramo Wooldridge expects 1963 to be a "good year" & produce higher sales & earnings than 1962's $12.5 million profit on record $460.3 million revenue (Vol. 3:9 p12). Finance vp E. C. Brelsford reported order backlog at about $200 million, "somewhat higher" than year ago, said TRW will invest some $12.5 million in 1963 R&D, as it did in 1962.

Sylvania's 1962 earnings jumped to approximately $8.7 million from 1961's $5.6 million as sales rose 3% to more than $400 million, Sylvania Pres. Gene K. Beare told recent meeting of Sales & Mktg. Executives Assn. of San Francisco. Sylvania's sales & earnings were lumped with parent G&E's consolidated 1962 financial report (Vol. 3:7 p12).

Realtone Electronics sales in 9 months to Dec. 31, 1962, rose 25% to record $5,867,496. Quarterly earning figures are not released.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Aerovox	1962—year to Dec. 31	—	—	$ (506,909)[1]	—	870,851
	1961—year to Dec. 31	—	—	(606,568)[2]	—	870,851
Allied Artists	1962—26 wks. to Dec. 29	—	—	(334,000)	—	931,608
	1961—26 wks. to Dec. 29	—	—	(996,000)	—	931,608
Chris-Craft Industries (formerly NAFI Corp.)	1962—year to Dec. 31	$ 69,399,700	$ 3,484,893	2,084,893[13]	$1.51[13]	1,376,672
	1961—year to Dec. 31	67,595,931	3,838,750	2,298,750[14]	1.67[14]	1,376,672
Clairtone Sound	1962—year to Dec. 31	6,726,675[15]	—	289,883	.50	576,000
	1961—year to Dec. 31	3,523,075	—	125,471[8]	.21	576,000
Collins Radio	1963—6 mo. to Feb. 1	111,211,292	3,576,495	1,716,718	.77	2,230,065
	1962—6 mo. to Feb. 1	93,805,154	2,169,302	1,041,265	.47	2,223,575
Columbia Pictures	1962—6 mo. to Dec. 30	—	—	817,000	.46	1,572,291
	1961—6 mo. to Dec. 30	—	—	1,637,000[15]	.98	1,493,895
Cowles Magazine & Bcstg.	1962—year to Dec. 31	118,510,000	—	3,447,000	1.16	2,950,501
	1961—year to Dec. 31	103,739,000	—	2,843,000	1.05	2,670,619
Crowell-Collier	1962—year to Dec. 31	—	—	3,086,667[4]	.97[4]	3,256,550
	1961—year to Dec. 31	—	—	4,117,643	1.29[5]	3,203,412[5]
Dominion Electrohome	1962—year to Dec. 31	21,198,502	—	512,925	1.21	423,665
	1961—year to Dec. 31	16,321,850	—	397,981	.95	418,140
Dynamics Corp. of America	1962—year to Dec. 31	75,014,106[9]	7,417,326	3,572,778[6]	1.05[7]	3,008,624
	1961—year to Dec. 31	49,165,655	4,156,669	2,093,596	.58[7]	2,865,751
H & B American	1963—6 mo. to Jan. 31	2,201,431	—	52,852	.02	2,575,160
	1962—6 mo. to Jan. 31	1,717,529	—	33,747	.01	2,575,160
Hazeltine	1962—year to Dec. 31	47,951,008	4,257,300	2,006,300	1.28	1,568,363
	1961—year to Dec. 31	41,450,835	3,235,078	1,568,078	1.00	1,568,029
Hewlett-Packard	1963—qtr. to Jan. 31	25,748,000	—	1,702,000	.15[7]	10,853,090
	1962—qtr. to Jan. 31	24,667,000	—	1,747,000	.15[7]	10,689,706
Ling-Temco-Vought	1962—year to Dec. 31	325,439,135	—	8,650,069	3.03[7]	2,783,600
	1961—year to Dec. 31	192,847,111	—	(13,158,591)	—	2,775,185
Litton Industries	1963—6 mo. to Jan. 31	261,029,000	20,399,000	10,946,000	1.08[7]	10,143,000
	1962—6 mo. to Jan. 31	168,461,000	14,197,000	7,446,000	.75[7]	9,869,895[16]
Pentron Electronics	1962—6 mo. to Dec. 31	4,919,447	—	40,272[17]	.02[17]	2,532,644
	1961—6 mo. to Dec. 31	4,436,775	—	134,094	.06	2,346,037
Reeves Soundcraft	1962—year to Dec. 31	8,333,467	166,227	90,227	.03	3,236,775
	1961—year to Dec. 31	6,520,690	(220,938)	(220,938)[8]	—	3,235,515
Republic Corp.	1963—qtr. to Jan. 26	11,223,344	—	539,047[9]	.18[7]	2,443,448
	1962—qtr. to Jan. 26	10,686,162	—	414,696	.13[7]	2,443,448
Time Inc.	1962—year to Dec. 31	326,039,000[9]	18,790,000[10]	10,190,000	4.76	2,142,869
	1961—year to Dec. 31	309,237,000	15,753,000[11]	8,971,000	4.23	2,122,419

Notes: [1] After $73,317 tax credit. [2] After $521,165 tax credit. [3] After $110,245 net loss on U.S. operations. [4] Before special credit of $731,522 (22¢ a share). [5] Adjusted to reflect 4% stock dividend in 1962. [6] Record. [7] After preferred dividends. [8] Before $1,170,439 gain on sale of Cinerama stock. [9] Includes $75,000 tax benefit carry-over from earlier losses of subsidiary Utility Appliance Corp. [10] Includes $833,000 capital gains. [11] Includes $2,185,000 capital gains. [12] Includes about $2 million in U.S. sales. [13] Includes non-recurring gain equal to 45¢ a share. [14] Includes net credit of $401,000 (29¢). [15] Before $413,000 profit on sale of land. [16] Adjusted for 2-for-1 split & 2½% stock dividend during 1962. [17] Before special provision of $200,000 for losses on disposal of obsolete inventories, resulting in net loss of $163,728.

TraVler Industries slipped in fiscal-1963's 3rd quarter, ended Jan. 31 & Pres. Joe Friedman said, "indications are that sales were down 10-15% & earnings were probably off more than that." Company a year earlier earned $210,000 on $6.8 million sales. He attributed decline in part to January's severe cold, which affected both orders from retailers & TraVler's ability to fill orders on hand, unusually heavy ordering in 2nd fiscal quarter, expenses for Color TV production facilities. Current backlog totals some $7 million—up from $4.7 a year ago. Friedman confirmed that TraVler is now 100% private-label (Vol. 3:4 p8), said only those TraVler TVs, radios & phonos still in inventory are being sold under TraVler brand. "We decided private label business was the best prospect for a small independent company," he said, noting that only 8 years ago, in 1955, only 1.4% of company's production was private label. He said TraVler expects to continue present policy of issuing 5% annual stock dividend.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Arvin Industries	Q	$0.25	Mar. 30	Mar. 11
Arvin Industries	Stk.	10%	Apr. 29	Apr. 8
Corning Glass	Q	.37½	Mar. 29	Mar. 18
Decca Records	Q	.30	Mar. 29	Mar. 18
MGM	Q	.37½	Apr. 15	Mar. 18
Newark Electronics-A	Q	.06¼	Mar. 29	Mar. 15
Times-Mirror Co.	Q	.12½	Mar. 25	Mar. 8
Webcor	Q	(Ommitted Mar. 6)		

WEEKLY **Television Digest**

with

Consumer Electronics . . . (starting on page 7)

MARCH 18, 1963 NEW SERIES VOL. 3, No. 11

NAB LIBRARY

MAR 19 1963

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

FOREIGN TV SETS outnumber American for first time, as 'Television Factbook' estimates overseas TV sets at 65 million, U.S. sets at 60 million. Foreign stations exceed 2,500 (p. 1).

KICKOFF OF UHF DEVELOPMENT GROUP, headed by Comr. Lee, outlines areas of potential study—in transmission, reception, economics, receiver distribution (p. 2).

FCC RENEWS TVs on 'LOCAL-LIVE' ISSUE, grants 70-plus licenses delayed by questions on 6-11 p.m. programs, other than news-weather-sports (p. 3).

LOW RATINGS FOR SMALL-FRY SURVEYORS: House ratings hearings completes 2nd week, sharp with charges, mostly against smaller firms; reliability of all ratings questioned (p. 3).

HUBBELL OUT, DANN IN at CBS in new executive-echelon switch said to be triggered by Jim Aubrey's fondness for involvement in program plans (p. 5).

MINOW'S PRO-NEWSPAPER PITCH in Celler hearings notes many of best telecasters own papers, urges publishers into TV as hedge against rough competition (p. 6).

Consumer Electronics

RCA TO OFFER KIMCODE tubes to set makers within few weeks, becoming 5th tube maker to enter field; widespread use of bare-faced tube unlikley before Fall (p. 7).

11-IN. PICTURE TUBE will be next U.S. size, as GE & Admiral prepare for introduction of tinyvision personal sets, aiming at below-$100 price (p. 7).

COLOR'S FUTURE FORECAST by set makers in interviews with market planning firm. Sales of more than 2 million color sets seen in 1967, with b&w sales tapering off (p. 8).

NEW SET INTRODUCTIONS by some manufacturers coming early. Sylvania to unveil 'advance 1964' portable chassis this month; Philco showing 'new TV line' to distributors (p. 9).

FTC EXAMINER BELTS GE on co-op ads; charges company unlawfully restricted retailers in fair-trade areas from advertising GE products below specfied minimum prices by withholding co-op payments from those who did (p. 10).

MOTOROLA PROFIT JUMPS 28% to $12.2 million as 1962 sales rise 16% to record $346.9 million; 4th quarter sales of $102.2 million also set record (p. 11).

FOREIGN TV RECEIVERS OUTNUMBER AMERICAN: For first time in TV's postwar development there are now more TV sets-in-use in foreign countries than in U.S. Spurt in foreign TV growth came in 1962. At beginning of year, there were fewer than 54 million sets-in-use in foreign countries. By October, total was 65 million, compared with about 60 million sets in U.S.

This trend is delineated in our new 1963 *Television Factbook,* whose Foreign TV Directory has become accepted standard of TV industry. Directory lists all foreign TV stations operating & planned, with information on facilities & starting dates. Perusal of Foreign TV Directory reveals these additional world TV facts:

There are now 2,563 stations in 75 foreign countries, compared with 2,047 in 66 countries a year ago (Vol. 2:19 p4). *Factbook* directory lists U.S. as having 619 TV stations—but U.S. count doesn't include low-powered translators & repeaters, while their equivalents are included in foreign total. In addition, U.S. Armed Forces operate 35 TV stations for entertainment of servicemen & their families stationed in U.S. & overseas locations where they're beyond reach of English-language TV outlets.

Among highlights of foreign TV progress shown in our directory are growth of TV in new nations of Africa and continued trend toward commercial TV, even in countries where stations are owned by governmental or quasi-governmental bodies. Ratio of commercial-to-noncommercial countries is better than 2-to-1.

There are 51 countries with some form of commercial TV operation. These countries have 1,382 stations (including non-commercial stations) and 39 million sets. Stations which bar commercial TV have 1,181 stations and 26 million sets.

Major trend for 1962-63 is development of "2nd network," or alternative program sources, in large countries. Italy & Germany now have 2nd networks, making use of uhf. France is planning one. Britain is planning 3rd program service.

Here are leading TV countries in terms of sets-in-use: U.K., 12.5 million sets, 50 stations; Japan, 10.7 million sets, 207 stations; West Germany, 7 million sets, 419 stations; USSR, 6.5 million sets, 173 stations; Canada, 4.4 million sets, 154 stations; Italy, 3.3 million sets, 586 stations; France, 3.1 million sets, 152 stations. Fifteen foreign nations now have more than one million sets each.

(For table of foreign stations & sets-in-use, see p. 5.)

KICKOFF OF UHF DEVELOPMENT GROUP: FCC-sponsored uhf-development committee (CUB) got good start March 12, under leadership of Comr. Lee—and the approximately 150 top-level representatives of govt., telecasting & set-making left with impression that group can do much to smooth growth of uhf.

Morning of one-day session was devoted to careful groundwork-laying to comply with laws & rules governing govt.-industry meetings—to avoid anti-trust problems. There also were speeches by Sen. McGee (D-Wyo.) & Rep. Younger (R-Cal.), members of Commerce Committee. Paradoxically, liberal McGee gave a non-controversial hortatory pitch, but conservative Younger irritated bejabers out of manufacturers by warning against potential skulduggery to get around all-channel law. Younger apparently believes that customers might object to paying extra for all-channel sets—whereupon dealer would take out vhf-uhf tuner, replace it with vhf-only, and ship vhf-uhf tuner back to factory, to be included in another set destined for interstate shipment and compliance with law. Younger visualized all-channel tuners re-used in a sort of factory-to-dealer shuttle. Younger also suggested that vhf station operators be given uhf facilities, too.

Lee introduced his alternate, Comr. Henry, joked about rumors of latter as next FCC chairman, saying: "Maybe it's time for me to be kissing another foot." Said Henry: "I don't know anything about that, but I can only say I hope he's right" about chairmanship. In brief remarks to group, he said that FCC wouldn't dominate committee—"we'll follow you."

Afternoon session was more productive, Lee leading discussion, taking up areas which may need study. Among points advanced, many of them well known:

(1) Since uhf transmission-line losses are greater than vhf, there might be great savings in putting final amplifier at top of tower.

(2) Polycasting (use of 2 or more transmitters-&-antennas per station) might be more efficient than conventional single facility.

(3) Uhf antenna farms, particularly for ETV, are very important for receiving-antenna orientation.

(4) Study of uhf transmission patterns should be made, to improve balance between close-in & distant reception.

(5) Uhf facility costs 12-15% more than vhf for same power, and uhf frequently needs more power for adequate coverage.

(6) Eimac has new much-improved transmitting tubes—longer life, more stability.

(7) To save money on uhf stations, visual-audio power ratio should be changed from 2-1 to 10-1 or more (which FCC is planning to do).

(8) Development contracts could be used to get at technical problems—and Lee said Congress may be approached for funds "at some point." He said that the $300,000 FCC returned to govt., unexpended from N.Y. uhf project, "will be the best investment we ever made," in terms of future appropriations.

(9) Programming is biggest cost—so FCC should let up in its pressures for such things as more local-live programming (suggested by former FCC Chmn. John Doerfer).

(10) Many dealers care little & know less about uhf, giving it black eye. It was suggested that FTC should be put on their backs. EIA's L. M. Sandwick countered quickly that dealers "need to be educated," not punished.

(11) Distinctions between vhf & uhf shouldn't be played up to public. Rather, pitch should be about "all-channel sets." Said rep Adam Young: "Sell 'more channels' instead of 'something new.' "

(12) Pioneer dealers "will cash in" on uhf, and industry can sell 8-9,000,000 sets annually—if uhf stations develop—according to NARDA Chmn. Mort Farr.

(13) National advertisers aren't as prejudiced against uhf as some think, are interested in number of viewers reached, according to Young. But local advertisers "are interested in results, not numbers," said William Putnam, WWLP Springfield, Mass.

(14) There's great need for statistics on retail sales of all-channel sets & converters. No one compiles these, though EIA's county-by-county figures may help, said Sandwick.

(15) Educators are confused, said JCEB's David Stewart, "because they've had to learn about vhf, uhf, closed-circuit, airborne and 2,000-mc transmissions."

Lee did masterful job of leading discussion, was warmly commended by participants, who included good cross-section of telecasters, associations, manufacturers (17 of the 21 set makers, mostly presidents, exec. vps, gen. mgrs.), educators, govt., engineers, lawyers, etc.

Lee is asking 20 members to serve on an executive committee which will meet in Chicago April 4 at Conrad Hilton, after NAB convention, to block out areas of study. Then another meeting of full membership will come in late April or early May—"and we'll see where we go from there," said Lee.

FCC RENEWS TVs ON 'LOCAL-LIVE' ISSUE: FCC last week renewed 70-plus TV station licenses which had been held up by so-called "6-to-11" issue—referring to telecasts of local-live programs (other than news-weather-sports) during prime time (Vol. 2:50 p1).

Stations comprised 3 groups, according to staff analysis: (1) About 30, which staff recommended be renewed, after being sent letter saying FCC assumes past local-live performance is indicative of future plans. (2) About 35, which staff said needed to be questioned with another letter asking for plans. (3) Some 9, which had responded to FCC letters—but from which staff wanted more information.

Commission renewed them all, sent no further queries to them. Some commissioners voted for renewal because they believe FCC has little or no authority to get into such program matters. Others found no sense in singling out 6-11 p.m. Others voted that way because Commission's 1960 program policy statement still awaits implementation via new program forms—and they don't believe stations should be kept dangling because of Commission's own delays in spelling out just what kind of program information it seeks. It's understood vote for first group was unanimous, though Chmn. Minow thought letters should be sent first group. Vote was 5-2 on other 2 groups—Minow & Henry dissenting. Real significance of foregoing won't be known until it's seen what Commission finally puts into its program form.

LOW RATINGS FOR SMALL-FRY SURVEYORS: Biggest frog in ratings pond, Nielsen, is yet to be heard in House hearings on ratings, but Chmn. Harris (D-Ark.) last week let it be known he believes Congress needs to do something about program-surveying business.

As Special Investigations Subcommittee held 2nd week of hearings, Harris said subject has been under study for 5-6 years, but "nothing effective" has been done. "We watched FTC progress," he said. "We waited a long time before anyone did anything.Last October, we decided to open the whole thing up."

Eager to lead industry toward improved techniques, NAB reportedly has approval of ARB & Pulse for cooperative undertaking. If it materializes, it's understood, NAB and the firms would supply funds.

Last week's testimony provided serious charges, especially against "smaller" firms. Even more basic is continued questioning by committee of ratings' reliability, validity & methodology, and the use made of figures. Rep. Moss (D-Cal.), for example, no sooner complimented ARB's James Seiler as "model of candor and cooperation," when he immediately asked: "How reliable are ratings?"

Seiler's answer: They're valuable as a guide limiting area in which "good judgment should prevail." He regretted uses some people made of measurements. On basis of committee's findings, especially more

spectacular evidence suggesting fraud & misrepresentation, Harris asked: "Do you think there should be legislative action?" Let responsible people in industry do the job, Seiler replied. Harris retorted: It's obvious there are "irresponsible people" in the business, too.

More than half dozen rating services heads were heard from. Testimony of major witnesses this week—Dr. Sydney Roslow, Pulse dir., and Henry Rahmel, Nielsen exec. vp & media research div. mgr.—will have great bearing on direction committee action will take because of their importance in field.

Knowledge acquired by staff investigators Robert Richardson & Rex Sparger surprised measurement firms. (Official of a major rating firm told us he wouldn't mind having one of them as research dir.)

Unsatisfied with vague responses of Robert E. West, pres. of Robert S. Conlan Assoc., committee requested appearance of his partner, Mrs. Hallie Jones, who flew in from Kansas City hq.

Committee said that after 1½ years of study it still can't determine if any field work was done in half Conlan's published surveys. Conlan stated it made more than 250 surveys in 1960, ostensibly in more radio markets than any other firm, at field cost of $5,618. It's understood Conlan reported that it grossed more than $100,000 that year.

Telephone interviewers listed by Conlan couldn't be verified for specified surveys. One woman alleged to have conducted Tampa survey, investigators said, had moved from address given 2 years earlier, had married, could only recall doing survey years ago in Altoona. Another "interviewer" was in traction when she was supposed to be surveying, committee charged. Mrs. Jones said records could be incomplete because many payments are made by cash through mail. Rep. Rogers (D-Fla.) wondered if Internal Revenue had checked cash receipts. She said no.

"Several radio stations should give attention to these facts," Harris concluded, "It isn't a very good picture."

Allan Jay, pres. of Videodex Inc., N.Y. & Chicago, also had difficulty responding to questions. There were contradictions between Jay's testimony and findings by investigators.

Sparger took stand to report: That Merchandise Mart post office box received no TV panel diaries; that Jay first told investigators Videodex had national sample of 9,200, but now says he hasn't had national sample for years; that alleged Joliet, Ill., field plant wasn't there; that 7 premium houses, which mailed out diaries with "incentives," were not premium houses, had mailed no Videodex diaries, and some were even out of business.

Company stated 85% of its work was analyzing spot schedules for advertisers. Jay said much of confusion was that his firm was in process of moving from Chicago to N.Y. for "several years."

Questioning of ARB centered around the difference between metro area ratings and total area viewing by homes. Committee also wondered about heavy ratings-week promotions. Harris called metro areas "trumped up," "artificial." Seiler explained that in a 3-station market, for example, ARB couldn't use the areas claimed by all 3 stations.

Seiler also showed variations in ratings. Programs with ratings of 22 & 26 in one Louisville report could vary from 15.2 to 28.8, latter from 19-33. He said he advises clients to see a rating twice in a row before making decision, but conceded there is great misuse of ratings. He disclosed that ARB's 1962 gross was more than $3 million, most of it in local station diary reports.

Frank Stisser, pres. of C. E. Hooper, conceded that ratings are "overused" most of the time—"not good for us and not good for the industry." He said that Hooper measures only city zone radio listening, that figures aren't projectible, that they're intended only as management guide.

Hooper uses a code of practice, has suspended stations for misleading advertising of ratings. However, Richardson said, Tucson station used call letters and ratings of all stations in promotion—violating Hooper code—but there was no evidence of suspension.

Trendex Pres. Ed Hynes was accused by Committee as stating in his brochure that his company would supply rating stations wanted. Committee also found that in one case Trendex had sample size of 6 that was distributed over 8 stations.

FOREIGN STATIONS & SETS: Here is summary table compiled from the Foreign TV Directory section of our new 1963 *Television Factbook* giving number of stations & sets-in-use in foreign countries as of Oct. 1, 1962 (see p. 1):

Country	Stations	Sets
Albania	1	[1]
Algeria	6	67,500
Argentina	9	850,000
Australia	27	1,568,300
Austria[2]	27	350,000
Belgium	12	950,000
Bermuda	1	9,400
Brazil	37	1,430,000
Bulgaria[13a]	2	22,000
Canada	154	4,375,000
Cbile	3	4,000
China[3]	26	100,000
Colombia	14	200,000
Costa Rica[14]	4	15,000
Cuba[3]	27	400,000
Cyprus	1	4,500
Czechoslovakia[4]	100	1,300,000
Denmark	11	795,000
Dominican R.	4	18,000
El Salvador	3	30,000
Ecuador	2	5,000
Finland	19	315,000
France[5]	152	3,059,574
E. Germany[15]	117	1,500,000
W. Germany[6]	419	7,000,000
Gibraltar	1	[1]
Guatemala	3	40,000
Haiti	1	2,500
Honduras	2	4,500
Hong Kong[7]	1	16,000
Hungary	8	250,000
India	1	750
Iran	2	78,000
Iraq	1	50,000
Ireland[8]	5	120,000
Italy[16]	586	3,255,611
Japan[9]	207	10,724,091
Kenya	1	3,500
Korea	1	40,000
Kuwait	1	8,000
Lebanon	5	80,000
Luxembourg	1	10,500
Malta[10]	1	21,000
Mexico	24	1,000,000
Monaco	1	12,000
Morocco	4	5,000
Netherlands	7	1,168,995
Netherlands A (West Indies)	1	10,000
New Zealand	4	52,000
Nicaragua	2	10,000
Nigeria	6	10,000
Norway[11]	20	155,000
Okinawa	2	47,000
Panama[12]	3	30,000
Peru	7	75,000
Philippines	11	55,000
Poland	17	1,000,000
Portugal	8	90,000
Rhodesia	3	35,000
Rumania	9	110,000
Saudi Arabia	1	14,000
Spain[17]	36	400,000
Sweden	63	1,550,000
Switzerland	27	250,000
Syria	3	42,000
Taiwan	2	5,000
Thailand	2	100,000
Trinidad	1	5,000
Turkey	1	500
United Arab Republic[18]	13	200,000
United Kingdom	50	12,500,000
Uruguay	3	70,000
USSR	173	6,500,000
Venezuela	14	263,000
Yugoslavia[13]	39	100,000
FOREIGN TOTAL	2,563	64,937,221
U.S.	619	60,000,000
U.S. Military	35	
GRAND TOTAL	3,217	124,937,221

[1] Sets-in-use estimate unavailable. [2] Station total includes 15 low-power satellite. [3] Recent information not available. [4] Station total includes 89 low-power satellites. [5] Station total includes 115 low-powered satellites. [6] Station total includes 334 low-power satellites. [7] Closed-circuit cable system. [8] Some viewers also can get British stations. [9] Station total includes 82 low-power satellites. [10] Some viewers also can get Italian stations. [11] Station total includes 15 low-power satellites. [12] Sets-in-use does not include those in Canal Zone. [13] Station total includes 32 low-power repeaters. [13a] Station total includes 3 low-powered relays. [14] Station total includes 2 repeaters. [15] Station total includes 107 low-power repeaters. [16] Station total includes 543 low-power repeaters. [17] Station total includes 28 satellites. [18] Station total includes 6 relay units.

Settlement of NBC-Philco fight over NBC's WRCV-TV (Ch. 3) Philadelphia, as proposed by the principals (Vol. 3:1 p1), has been rejected by FCC. Parties had proposed that Philco pull out, get paid $550,000 by NBC for expenses incurred fighting for Ch. 3. Commission turned that down, asked Philco to tell Commission, quickly, whether it will prosecute its application for Ch. 3. FCC's position is that it had accepted, as justifying a hearing, Philco's original charges against NBC's qualifications as a licensee—and it can't simply ignore those charges now. It's expected Philco will drop application, won't get the expense money, and FCC will renew NBC's license.

Station Sales: (1) KSYD-TV (Ch. 6) Wichita Falls, Tex. to Paul Harron by Sidney Grayson & associates for $2,350,000, approved by FCC. (2) Also approved was sale of WMAZ-TV (Ch. 13) with radios WMAZ & FM for $2,094,750 to WMRC Inc. by George P. Rankin & associates. WMRC Inc. also owns WFBC-TV (Ch. 4) Greenville, S.C. (3) KVIP-TV (Ch. 7) Redding, Cal., is being sold for about $1,250,000 to Sacramento Valley TV (William Smullen), which will drop Redding Ch. 9 application, leaving Northern Cal. ETV Assn. unopposed for Ch. 9.

Personals

Sigurd S. **Larmon**, ex-Young & Rubicam chmn., named U.S. Advisory Commission on Information member for 3-year term.

Frank Kearns appointed chief, CBS News Bureau for Africa, with home base in London. Blaine Littell named Paris bureau chief.

William R. Baker Jr., honorary chmn., Benton & Bowles, elected Advertising Council chmn. Vice chairmen elected: Albert Cole, *Reader's Digest:* George Gribbin, Young & Rubicam; Edwin Ebel, General Foods.

Kevin Sweeney, ex-RAB pres., becomes pres. & major stockholder, John Poole Broadcasting, Los Angeles. . . . **John R. (Dick) Carlson** promoted to WOW-TV Omaha program dir., succeeding Bill McBride, station mgr.

Milton J. Shapp, Jerrold chmn., receives 1963 Philadelphia Fellowship Commission Award for work on interracial employment, Peace Corps, neighborhood renewal.

Dr. Mary Ann Cusack, ex-U. of Mich. staff, appointed special asst. to NAB Pres. Collins, for special projects & administrative affairs.

William Stubbs, southeastern TV sales mgr., Peters, Griffin, Woodward, elected vp.

Martin Leeds, exec. vp, Talent Associates-Paramount, resigns because of company move to N.Y.

Jacob A. Evans, TvB central div. vp, Chicago, also named Detroit representative, succeeding **Guy Cunningham**, now creative dir. . . . Ben McLaughlin, ex-Broadcast Time Sales executive, named KSLA-TV Shreveport sales mgr.

Edward A. Grey, ex-senior vp-media operations, Ted Bates, appointed senior vp in charge of TV programming & media div., McCann-Erickson . . . **Robert L. Miller**, ex-Trans-Lux TV, appointed ABC Films dir. of film operations.

Howard Wry, WHNB-TV Hartford, and Caley Augustine, WIIC Pittsburgh, named winners in Fifth Annual NBC Promotion Managers Awards Campaign.

Obituary

William D. George, 55, asst. chief, radio frequencies, Bureau of Standards Radio Standards Div., Boulder, Colo., was killed in car accident March 5 in Switzerland. He was there for meetings on International Telecommunications Union. Considered a leading space radio scientist, George joined Bureau in 1929. He is survived by wife, daughter, 3 sons and sister.

David Lachenbruch promoted to editorial director, *Television Digest* (N.Y.), succeeded as managing editor (Washington) by Jonah Gitlitz. Latter served as editor of *U.S. Radio* magazine, 1957-61, recently was dir. of advertising & public relations for Adam Young Inc., TV-radio reps; he's graduate of American U., served 5 years on staff of *Broadcasting* magazine.

Mich. Gov. George Romney will address luncheon session on final day of 41st annual NAB convention at Chicago's Conrad Hilton, March 31-April 3. Other luncheon speakers, per custom, will be FCC Chmn. Minow & NAB Pres. Collins. Bob Hope will receive NAB Distinguished Service Award for 1963 on April 1.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Woshington 6, D. C.
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, *Editor & Publisher*
JONAH GITLITZ, *Monoging Editor, Television Digest*
PAUL STONE, *Editoriol Director, Television Foctbook*
VIRGINIA SNOWDEN, *Monoging Editor, Television Foctbook*

BUSINESS
EDWARD M. KELLY, *Generol Monoger*
RUDOLPH SAPPER, *Circulotion Monoger*

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, *Editoriol Director*
CHARLES SINCLAIR, *Contributing Editor*

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philodelphio 51, Po.
Midwoy 2-6411
HAROLD RUSTEN, *Associote Editor*

TELEVISION DIGEST. Published Mondoys. Services: $75-$150 onnuolly. For group rotes & other subscription services, write Heodquorters.

TELEVISION FACTBOOK Published Annuolly
TV & AM-FM ADDENDA Published Soturdoys
AM-FM DIRECTORY Published Annuolly

Hubbell's Second Exit: Resignation of Hubbell Robinson Jr. as CBS-TV senior vp for programs is being pointed to in N.Y. as good example of how executive-echelon strife at networks can be disguised (or unnoticed) behind facade of material success.

Outwardly, it had seemed that Robinson had it made. In season-to-date National Nielsens, CBS has been easy nighttime winner (8 of top 10 including first-ranked 4 shows; 16 of top 20; 21 of top 30) with much of credit for sparked-up CBS current-season schedule and for coming fall blueprint going to Robinson. Also, CBS has just issued blue-chip financial report showing jump of 32% in net income for 1962.

Robinson, according to insiders, isn't always easy to get along with; firm in his opinions, he likes relatively free hand to run major program operation (a motivation backed up by his track record of successes). When he returned to CBS a year ago, after stint as independent producer, he found himself sharing conference tables with CBS-TV Pres. James T. Aubrey.

Aubrey, too, isn't always easy to live with. Talented, hard-driving, Aubrey has no hesitancy about becoming involved in all phases of CBS activities—including programming. Something close to low-pressure feud developed between Robinson and Aubrey.

Now, Robinson is out again, although far from feeling the pinch (his income includes producer's share of syndication of *87th Precinct* and *Thriller* via MCA). In is Michael H. Dann, a cheerful, crew-cutted executive who combines showmanship flair with considerable diplomatic talents. Out also is Alan D. Courtney, Robinson's 2nd-in-command whom Robinson brought in from an MCA spot. Into Courtney's job goes Oscar Katz, daytime programs vp and former network research chief. Interestingly, a year ago Dann reported to Katz; now, Katz reports to Dann.

Effect of moves on CBS fall schedule will be minimal; most of it is completely locked up.

Minow's Pro-Newspaper Pitch: Like Chief New Frontiersman Kennedy, FCC Chmn. Minow is assiduous reader of newspapers, considers vigorous press extremely vital. His testimony before Rep. Celler's (D-N.Y.) inquiry into newspapers' ills reflected that amply.

In years past, when Congress questioned FCC about "concentration" of TV-radio & newspapers in few hands, Commission reaction was predictable—avoid such concentration, "all other things being equal." As Minow said last week, "all other things are never equal." He went on to urge—heresy to some at FCC—that newspapers should be helped acquire TV facilities in cities where their competitors have stations. This, he said, may keep more papers alive. He noted that few dailies with TV or radio affiliates have folded.

Minow also warmed publishers' spirits with: "It is my personal impression that some of our broadcast licensees which are affiliated with newspapers & periodicals are among those broadcasters most serious about service to the public interest." He urged papers to get into uhf swim, if they have no TV now. His enthusiasm for TV-paper combinations does not extend, however, to situations where one entity owns sole station & only paper in town. He's against that, "with few, if any, exceptions." (Statistics on TV-radio-newspaper ownership trends, as given Celler by Minow, were as disclosed in Vol. 3:10 p6.)

—■—

Juicy syndication plum is up for grabs—but there's steep price tag. Milton Rackmil, pres. of Universal Pictures, announced last week his firm's backlog of 215 post-1948 movies—one of very few major backlogs not yet committed to TV—can be had by a distributor who: (1) is willing to pay $21.5 million with one-third down for a 7-year deal, (2) will give Universal up to 50% of gross, however high it may go, after recovery of distribution fees. At this kind of pricing, distributor would have to ask more than current top dollar being sought for feature films in TV (such as pricing of Seven Arts). However, in face of current shortage of large movie packages and steady station demand, a distributor might just get such a price with little trouble.

In personal testimony before House Rules Committee, rare privilege for private individual, NAB Pres. Collins urged congressman to permit broadcast reporting of House activities (Vol. 3:10 p3). "People need to see more, to hear more, if they are to do more in the discharge of their civic responsibilities," Collins said. It can be accomplished with "very little or no obtrusiveness," he asserted. Rep. Delaney (D-N.Y.) questioned whether broadcasters could be counted on for balanced presentation. Collins said problem is no different from that facing newspaper reporters.

Kenneth Cox was finally confirmed as member of FCC in Senate vote March 15. Commerce Committee had reported him earlier in week, Sen. Thurmond (D-S.C.) sole dissenter, reasons undisclosed. Cox probably will be sworn in March 19 or 21, and he's asking Supreme Court Justice Douglas to administer oath; both are from state of Washington. Cox will be succeeeded as chief of Broadcast Bureau by James Sheridan, special asst. to Chmn. Minow.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

RCA TO MANUFACTURE KIMCODE TUBES: New Kimcode picture tube has now made nearly complete sweep of OEM picture-tube industry—to extent that 5 out of 7 tube makers now are set up to make it and are currently offering it or will soon make it available.

RCA Electron Tube Div. will announce to set makers within next 2 or 3 weeks that it will offer the new type picture tube in 3 black-&-white sizes—16-, 19- & 23-in. Already in production or prepared to produce it are tube makers Sylvania, National Video, GE & Westinghouse—which together supply about 85% of set makers picture-tube requirements. Kimcode tube, originally developed by Owens-Illinois Glass Co., uses steel tension band around faceplate, fiberglass coating around funnel, requires no implosion glass or plastic.

RCA is understood to have developed new secret manufacturing process for Kimcode-type tubes. Company spokesman denied any plans for "immediate" production of Kimcode tubes. Nevertheless, RCA is seeking UL approval for its new tube in all 3 sizes. Although UL listing already has been granted for 19- & 23-in. Kimcodes, it's understood new approval is required because of difference in manufacture of RCA tube. This could mean RCA plans to use different type of epoxy resin to fasten fiberglass sleeve to funnel. Two resins—made by Dow Chemical & Union Carbide—are now UL-approved for Kimcode. Two other resin systems have been proposed—by Ciba, and more recently by Shell Chemical, the latter claimed to permit curing at lower temperature and in half the time required by others.

If tube makers are getting excited about Kimcode, set makers are still reluctant—but curious. Only one known to be using new-type tubes in existing sets is Curtis Mathes, although Westinghouse is understood to be shipping Kimcode tubes to undisclosed customer in Germany.

All set makers are looking into Kimcode—and, although it's unlikely that many will appear in spring-summer lines, it's good guess there'll be Kimcode-equipped drop-in models by many manufacturers next fall. RCA Tube Div.'s entry into Kimcode market will naturally give rise to speculation that RCA Victor Div. may be interested in process for drop-in models.

Picture tube engineers are still experimenting with Kimcode modifications. One tube maker is hoping to offer tube with mounting lugs, which he maintains will add further to savings he says are inherent in Kimcode. He claims that Kimcode tube in 19-in. version can "save set manufacturers at least $1 compared with any other type."

NEXT U.S. PICTURE-TUBE SIZE—11-IN.: You can now chalk it up as definite: Next new size in American TV picture tubes will be 11-in. In essence, this will be squared-off version of old 10-in. size, as far as picture shape is concerned.

This size will be even more controversial than 16-in. Most TV manufacturers will ignore it—at least for while. There are 2 schools of thought among U.S. set makers: Ignore tiny imports, or try to beat importers at their own game.

It now is definite that 2 manufacturers will offer 11-in. sets this summer. As we suggested 2 months ago, these set makers will be GE & Admiral. It's good guess that both will aim at attractive lightweight personal-type set which can be sold for less than $100. Whether either will make it at this price still remains to be seen. Sets will not be transistorized or battery-operated, although such versions could come in about a year.

GE & Admiral developed their tubes independently. Different glass makers are involved—Lancaster

Glass is making bulb for GE tube, and it's believed Corning will make Admiral's glass. However, it's likely that the 2 tubes will be nearly identical, if not actually interchangeable.

GE set will appear first. Dealers will probably see it in June, with deliveries immediate. Distributors will have earlier preview. It's our guess that Admiral set could also be shown, but not delivered in quantity, in early summer.

Will other manufacturers join tinyvision race? Almost everybody's looking into it, but GE & Admiral have long lead. There's been no sampling of production-model picture tubes, although it's believed GE's tube is in production, or on verge of it. Both developments are proprietary—that is, underwritten by the respective set makers rather than tube or glass makers—at this point. But when glass is available for Admiral's tube, it's assumed all tube manufacturers will be sampled.

SET MAKERS PREDICT COLOR'S FUTURE: Color TV set sales will increase steadily during next 5 years, totaling 2.2-2.5 million in 1967, while black-&-white sales taper off to about 4 million units by 1968.

This is consensus of 14 leading TV set and picture tube manufacturers, whose top officials were interviewed personally during late Dec. & Jan. by leading economic & market planning firm. Survey was conducted by economics div. of Lionel D. Edie & Co. for private firm connected with TV industry (believed to be Corning Glass).

Results of detailed survey haven't been released, and probably won't be, but manufacturers interviewed by Edie firm were given general summary of some of survey findings. Here are highlights of these results:

Demand for TV sets will remain in range of 6-7million a year during next 5 years, most manufacturers believe—b&w declining as color sales increase. Table of "Demand for Color Sets" shows consensus of these firms' estimates of sales from 1961 through 1967:

	Color Sets	B&W Sets
1961	125,000-200,000	5.9-6.2 million
1962	325,000-400,000	6.1-6.3 million
1963	500,000-750,000	5.9-6.1 million
1964	900,000-1 million	5.7-5.9 million
1965	1.2-1.5 million	not available
1966	2 million	not available
1967	2.2-2.5 million	not available

As to pricing, majority of respondents felt b&w sets have reached rock bottom, will eventually inch upward—although average price will continue to decline because of increase in sales of portables. "The general feeling is that b&w profit margins are as low as they can get and that manufacturing costs cannot be cut any further." There was agreement that color set prices will come down in next 5 years as result of mass production. Average price (presumably retail) of b&w set was given as $180-$200, color $550-$700.

Cost estimates, where available, were incomplete, but indicate average color set might cost $300-$325 to build, while b&w costs about $120-$125. Many believed color tube prices were too high and should be reduced by $20-$25. "The feeling is that the price of color tubes will decline in the next 2 years; price reduction might also take place in components and yoke."

Shadow-mask tube is only type which could be successfully marketed in next 2-3 years, in opinion of all manufacturers except one (unnamed). Only other tube mentioned as showing promise is Paramount Chromatron (Lawrence tube), but opinions on its prospects varied. Industry expressed belief that 90-degree round tube won't be introduced until 1964, and this introduction "may reduce the need for a rectangular tube," which was seen as 2-4 years off. "A completely new color tube is about 8-10 years away."

About half of all U.S. TV dealers carry color sets, according to survey, and inventory of color dealers averages 3 color sets per store. "Dealers appear enthusiastic about color TV because of higher profit margins," but enthusiasm varies according to location. For example, West Coast dealers like color better than those in the South. Average life of color set is about same as b&w—or "approximately 6-7 years"—although

rate of obsolescence should be higher because of technical strides in color. "All respondents indicate that servicing is no problem."

Among other opinions expressed by majority of respondents: (1) Tinyvision (5-8-in.) sets will have "no major impact" on domestic TV industry; imported battery sets are priced too high. (2) Some respondents felt that Japanese portable color set might have major impact on U.S. market, but most thought Japanese won't be able to compete in U.S. because they lack domestic market, transportation is too costly and they have encountered trouble in making glass envelopes for color tubes. (3) "There will be excess capacity in the industry in 1964." (4) Profit margins on color sets will decline next year. (5) "The feeling is that the present policy of RCA is a reasonable one because it allows an orderly transition & entry into the market and permits RCA to recover its high initial investment."

TV-RADIO PRODUCTION: EIA statistics for week ended March 8 (10th week of 1963):

	March 2-8	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
TV	135,296	137,215	133,674	1,320,745	1,293,080
Total radio	309,829	308,925	132,997	3,123,375	3,294,567
auto radio	142,354	139,414	249,659	1,429,356	1,404,518

New Set Introductions: New Philco 19-in. portable line and harbinger of completely new Sylvania portable chassis highlighted last week's new set activity.

Philco abandoned rounded lines of its "Briefcase 19" series in introducing new "Starlite" portables last week to midwestern & eastern distributors in Chicago & Pittsburgh—first 2 of series of 4 regional meetings. New portable is in squared case, has front speaker & controls, weighs 37 lb. and is available in uhf versions. Four sets are in line, including remote-control model. No prices were announced, but vp Larry H. Hyde called Starlite "popularly priced brother of Philco's stylish Town House" and added "we are going to put at least one Starlite on the floor of every Philco dealer in the country," backed by substantial ad campaign.

Sylvania is already using trade teaser ads for its upcoming new bid for bigger share of portable market. Completely new 19-in. portable chassis will be featured on one "advance 1964" set to be introduced this month. Among unusual features will be horizontal chassis, 5 strap frame grid tubes and "Power Throttle"—Sylvania's trade name for its improved AGC circuit which, company says, limits signal in good reception areas to prevent overload and adds amplification in weak-signal areas. Set is unpriced so far, but it's expected to be around $149.95. Present 19-in. price leader, at $139.95, will be continued.

GE introduced 4 cocktail-table stereo phonos to dealers in N.Y. last week. Series starts at $208, with highest priced unit $288 including AM-FM.

Meanwhile, Admiral introduced 2 new color sets last week at distributor meeting in Chicago. No details were disclosed.

Packard Bell, which showed year's first portable line in Jan. with group of 5 new models starting at $148.88 (Vol. 3:3 p10), reports that more units were sold in Jan. show period "than for any other show in our 37-year history," including the typically more successful summer shows. At same time, home products div. vp-gen. mgr. Kenneth R. Johnson announced Feb. sales were 82% over Feb. 1962, with color TV & stereo heading the advance.

EIA Spring Conference March 19-22 at Washington's Statler Hilton Hotel begins with all-day March 19 symposium on European electronics market, under chairmanship of ITT's Ralph E. Van Hoorn. Other sessions of interest to consumer products industry: (1) Two discussions of uhf by FCC officials March 21—Comrs. Lee & Henry addressing Consumer Products Executive Committee on TV receiver makers' role in supporting FCC's Committee for the Full Development of UHF Broadcasting (see p. 2); engineer Jules Deitz speaking on uhf reception to Service Committee. (2) Talk by Dr. Lawrence T. Frymire, chief of FCC educational branch, on "FCC & educational broadcasting," to educational section March 20. (3) Report on foreign markets for FM stereo receivers by FCC's Harold L. Kassens, before radio section March 20. Annual EIA govt.-industry dinner March 21 will hear MITRE Corp. Pres. C. W. Halligan as principal speaker.

Toshiba TV sets will enter U.S. through Majestic Electronics Inc., of Los Angeles & Chicago. Among items which Majestic says it will import, for sale under Brentwood label, are 16-in. color set with round shadow-mask tube, to be priced in neighborhood of $295 (due in fall); 10-in. line-cord set at $99.95 (due in 45 days); 19-in. portable at around $120 (July). Transistor World Corp., N.Y., is importer of Toshiba radios and has also announced plans to import Toshiba TVs. In Tokyo, Toshiba confirmed arrangements to ship 2,000 10-in. sets to Majestic, but denied that it was even negotiating to sell it any color sets.

Jerrold Electronics' Distributor Sales Div. & TACO Appliance Corp.'s Consumer Products Div. (both Jerrold Corp. subsidiaries) have consolidated operations to market latter's line of consumer antennas out of Jerrold's Phila. hq under Jerrold-TACO brand name. Engineering & manufacturing activities continue at TACO's Sherburne, N.Y. facilities.

Emerson's Du Mont Div. has kicked off Silver Anniversary promotion of sale 25 years ago of first TV set—a Du Mont model. Dealers have been furnished with kit of materials for in-store displays & local newspaper, TV & radio promotion of anniversary.

GE HIT ON CO-OP ADS: GE lost first round in its tussle with FTC over co-op ad practices initiated in 1959 (Vol. 2:24 p9). FTC hearing examiner Andrew C. Goodhope ruled last week that GE unlawfully restricted retailers in fair-trade areas from advertising GE products below specified minimum prices by withholding co-op ad payments from those who did. "Certain customers have, therefore, been discriminated against," he said, recommending that FTC order GE to cease practice.

TVs & radios are not involved. GE's co-op plan applies only to certain consumer products of its Housewares & Commercial Equipment Div.

GE's minimum-price requirement, Goodhope also charged, was "clearly designed & intended to attempt to eliminate lower-priced advertising & consequently constitutes an attempt [by GE] to tamper with the prices of its retailer dealers, which it has no right to do."

GE noted that "hearing examiner's report is only an initial step in this proceeding," added: "It remains GE's conviction that there have been no restraints on competition & all customers have been treated without discrimination under the plans. The company expects to appeal this matter to the full Commission."

* * * *

FTC may adopt new procedure under which suspect firms would avoid investigation if they immediately drop challenged practices. Commissioner A. Everette MacIntyre, in speech last week to National Account Mgrs. Assn., said his proposal could streamline Commission's workload & free it for speedier handling of cases requiring investigations & hearings. He said other Commissioners have indicated interest in his idea of pre-investigation conferences which, he belives, would "promote more effective voluntary compliance with the law."

Philco's Consumer Products Div., "reorganized along functional rather than product lines, made important gains in 1962 in manufacturing efficiencies & facility utilization," Ford Chmn. Henry Ford II & Pres. John Dykstra told stockholders in annual report. They reported sales gains for Philco's foreign subsidiaries, emphasized that Philco last year conducted "intensive program of market appraisal, internal reorganization & product realignment, all aimed at improving its sales in the highly competitive home appliance & electronic equipment markets."

Buying plans are up, Commerce Dept. reports on basis of Census Bureau mid-Jan. survey of 17,500 representative U.S. households. Survey found that 4.5% of consumers expected to purchase TV sets in first half of 1963. Only decline was reported in intentions to buy radios & phonos costing $100 or more; in this category, 2% expressed plans to buy—down from 2.3% year ago. Purchase of homes was planned in next year by 10% of families, in next 2 years by 20%. Meanwhile, Commerce Dept. reported retail spending reached record high in Feb.

Fourth market for 3M-Revere tape cartridge recorder will be Los Angeles. Instrument will be formally introduced at L.A. High Fidelity Show April 2-7.

Export & licensing arrangements for U.S. products in Sweden will be explored May 4-June 7 by U.S. Trade Development Mission to Sweden, which will include one businessman experienced in electronics. Commerce Dept. says Sweden is "one of the best markets for U.S. products on a per capita basis in the world." For information on submitting business proposals to Trade Mission, write Electronics Div., Business & Defense Services Administration, Washington 25, D. C.

RCA anticipates record ad spending in 1963's first half to promote home entertainment products. Intensified program provides TV, radio, magazine and newspaper promotion of color sets and portable TVs, radios, phonos. "With demand for RCA color sets at an all-time high," noted ad & sales promotion vp J. M. Williams, "we are spending substantially more money on color TV in our print advertising than we did in 1962's first half."

Muntz TV is suing former principal Earl Muntz, Autostereo Music Inc., and Muntz Music Inc. for $200,000 on charges of trademark infringement & unfair competition. Plaintiff charges in Federal Court of Los Angeles suit that defendants are selling "Muntz Autostereo"-branded car stereo tape playback unit & are using in advertising a Napoleonic caricature trademark-protected by Muntz TV. Commented Earl Muntz: "I have a right to use my name, and that caricature I use isn't of Napoleon—it's me."

Japanese TV exports to U.S. increased again in Jan., according to Japanese govt. figures. TV sets leaving for U.S. during month totaled 18,601, of which 15,261 were tube sets & 3,340 transistor sets (Jan. 1962 total was 2,327, of which 1,415 were tube & 912 transistor). Radios with 3 or more transistors totaled 327,506 (vs. 311,420 year earlier), while tube radios declined to 41,837 from 98,462 in Jan. 1962, and "toy" radios dropped to 89,450 from 244,986.

Feb. retail sales rose 7% to record $20.291 billion from Feb. 1962 & 0.2% from 1963's first month, Commerce Department reported. New level was record for any month. Sales of durable goods rose 8% from Feb. 1962 to nearly $6.5 billion; nondurable goods gained 6% to $13.8 billion.

Opening day bargains, including Westar 16-in. TV sets at $59.88 (made by Nippon Electric for Westrex Alpine) were snapped up by early-bird shoppers March 13 on opening day of S. Klein's Philadelphia store. Klein spokesman said 100 sets were included in special offer. Set normally lists at $99. Among other grand opening bargains were 100 power mowers at $19.99 each.

More information on component sales will be supplied to participating manufacturers under expanded EIA marketing services program. Factory sales will be tabulated for resistors, capacitors, switches, relays, connectors, inductors and filters & networks.

Sylvania is producing 2 new series of microwave germanium tunnel diodes for such high frequency applications as oscillators, amplifiers, frequency converters and high speed switches. Prices range from $12 to $110 each in quantities of 1 to 9.

Avco has licensed London-based Ultra Electronics Ltd. to use certain of its communications equipment patents, techniques & developments.

Trade Personals

Joseph H. Quick resigns as National Co. pres. . . . **Stanley Cohen** appointed engineering vp of Standard Kollsman Industries' subsidiary Kollsman Motor Corp.

Dr. Paul H. Gleichauf, ex-GE electronics lab, joins Zenith's Rauland Corp. as monochrome CR tube research & development dept. mgr.

Ralph J. Guda named National Union Electric vp & a dir. . . . **Richard P. Bucci** appointed Sylvania Semiconductor Div. controller.

Perry Winokur, formerly Polk Brothers sales promotion mgr., named national sales mgr. of Mercury Record's Phonograph Div., succeeding **Irving Russell**, resigned.

Gerald Willner appointed Olympic Radio & TV Sales Corp. credit mgr.

G. R. (Dick) Soden named southern regional sales mgr., Packard Bell Home Products Div., succeeding **L. R. Swiney**, appointed Packard Bell distributor in Phoenix.

Obituary

Maurice Kalen, 47, RCA financial operations & analysis dir., died suddenly March 9 while vacationing in Nassau, B.W.I. He lived in Murray Hill, N.J. Previously, he was controller of RCA's Electron Tube Div.

Wilbert E. Stevenson, 63, chmn. of Raytheon's Machlett Labs subsidiary, died March 6 in Springdale, Conn. Widely known in electronics industry, he joined Machlett in 1935 as sales vp, became pres. in 1955. He served as an EIA dir. 1958-59, was a representative for Electronic Tube & Semiconductor Div.

John J. Parsons, 61, retired ITT engineering executive, died in N.Y. March 9 following an accident. He joined ITT in 1925 as a student trainee, held key engineering & executive posts in Europe, Latin America & the U.S. before retirement in 1958.

Distributor Notes: Olympic Radio & TV appoints **Womack Radio Supply**, 515 Wilson Ave., Danville, Va., distributor for Virginia; **Womack Electronic Corp.**, 106 N. Carolina St., Goldsboro, N.C., for North Carolina; establishes 2 new branches: **Olympic TV of Washington** (**William Allen** branch mgr., **Pat Edwards** office mgr.), 825 South Stacy, Seattle, for western Washington; **Olympic TV of Central N.Y.** (**Glenn Sheldon** branch mgr., **Janet Cooper** credit & office mgr.), 845 Hiawatha Boulevard, Syracuse, for upper N.Y. state.

■

Mergers & acquisitions: Audio Devices has purchased **Olympic Record Co.**, Santa Monica, Cal. manufacturer of master & instantaneous recording discs • **United Shoe Machinery Co.** has purchased for cash **Truelove & Maclean Inc.**, Waterbury, Conn. maker of precision metal components used in electronic, electrical & appliance fields.

New plants & expansions: Warwick Mfg. will build $2.5 million TV manufacturing plant at Forrest City, Ark. Production is slated to begin in 1964's first half. Pres. L. G. Haggerty said new plant is "designed to meet the increased requirements of our customers." Warwick operates TV plant at Zion, Ill., radio manufacturing plant at Niles, Ill.

Motorola Profit Jumps 28%: Buoyed by record sales of $346.9 million, Motorola's 1962 earnings boomed 28% to $12.2 million from 1961's $9.5 million (see financial table). Sales rose 16% over 1961's $298.2 million. Motorola's $102.2 million 4th-quarter sales also were record—up from $90.5 million a year earlier—but earnings remained at $3.1 million. Pres. Robert W. Galvin said Consumer Products Div. captured its largest-yet share of TV market.

"Proportionately greater improvement" in 1963 earnings was forecast by Galvin, but first-quarter profits "may possibly be down" from $2.5 million a year earlier because of costs of introducing color TV & expanding semiconductor facilities. He expects sales to top 1961's first-quarter volume of $77 million.

■

International Resistance, which posted record 1962 sales & profits (Vol. 3:7 p12), closed year with total current assets of $10,237,927 (including $1,267,688 cash & $3,278,532 receivables), up from 1961's $8,504,536 ($1,116,046 & $2,811,835). Annual report to stockholders listed total current liabilities at $4,189,336 vs. $3,664,353 year ago. "The company is in sounder condition than ever before," Pres. Walter W. Slocum noted. "Our financial condition is strong, our product lines have been upgraded and expanded, and our research & development effort is creating a stream of new products." He said introductory expenses "will have some impact on earnings during the first half of the year, but we anticipate that for 1963 as a whole, we will again set new records in both sales & earnings."

Giannini Controls, Conrac's parent, expects 1963's first 6 months "to show an improvement in earnings over the 2nd half of 1962." Profit margins have improved since then, Pres. Donald H. Putnam reported, and "we expect steady improvement throughout 1963." Giannini's 1962 earnings slipped from 1961 levels despite sharp sales gain (Vol. 3:7 p12). Earnings in 2nd half totaled an indicated 18¢ a share, vs. first-half's 40¢. Industrial sales now account for 40% of total, and Giannini is aiming for 50-50 ratio between commercial & govt. business.

GE has distributed "nearly $100 million" of its common stock & U.S. savings bonds to 150,000 employes enrolled in 2 GE savings plans. Major payout represents first annual distribution of company's Savings & Security Program, initiated 1959, under which eligible employes can invest up to 6% of their earnings in savings bonds or combination of latter & GE stock. GE adds $1 to each $2 saved. Distribution involved 480,000 shares of GE common, valued at nearly $36 million, and savings bonds with face value topping $73 million.

Adler Electronics will post record sales & profits in its 1963 fiscal year ending June 30, Pres. Benjamin Adler predicted. He forecast total sales of about $25 million—up from fiscal-1962's $16.6 million—estimated per-share earnings would rise to $1 from 65¢ a year earlier. "We hope some day to pay a dividend," he said, "but can't see one within the next year. If we did pay a dividend, it might be a stock dividend, but nothing definite has been determined."

CBS Labs & CBS-TV Network have been retained by NASA's Jet Propulsion Lab as joint consultants on display & closed-circuit TV systems of new Space Flight Operations Facility, Pasadena, Cal.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Desilu Productions	1963—9 mo. to Jan. 26	$ 15,794,836	$ 873,777	$ 415,812	$0.34	1,233,631
	1962—9 mo. to Jan. 26	11,937,730	293,416	293,416	.25	1,155,940
Famous Players Canadian	1962—year to Dec. 31	—	—	2,667,445[1]	1.54[1]	1,737,072
	1961—year to Dec. 31	—	—	2,423,922[2]	1.40[2]	1,737,072
General Bronze	1962—year to Dec. 31	18,957,533	(141,108)	(141,108)	—	391,820
	1961—year to Dec. 31	18,641,852	(2,288,832)	(1,663,832)[3]	—	391,820
Motorola	1962—year to Dec. 31	346,881,779[4]	26,514,514	12,192,862[5]	3.03[5]	4,026,872
Story p. 11	1961—year to Dec. 31	298,219,845	19,900,308	9,517,308	2.36	4,028,652
	1962—qtr. to Dec. 31	102,180,934[4]	—	3,094,782	.77	4,026,872
	1961—qtr. to Dec. 31	90,516,076	—	3,100,416	.77	4,028,652
National Co.	1962—year to Dec. 31	8,832,021	—	9,718	—	804,246
	1961—year to Dec. 31	6,033,032	—	(337,800)	—	802,779
Schlumberger (Daystrom)	1962—year to Dec. 31	266,544,000	38,023,000	22,240,000	4.17	5,333,587
Story below	1961—year to Dec. 31	229,998,000	33,999,000	17,886,000	3.35	5,333,587
Trans-Lux	1962—year to Dec. 31	—	1,149,724	616,539	.83	743,037
	1961—year to Dec. 31	—	1,116,805	567,379	.76	732,182
TraVler Industries	1963—9 mo. to Jan. 31	18,557,000	—	233,000	.23	1,013,842
	1962—9 mo. to Jan. 31	19,676,000	—	570,000	.56[6]	964,289
	1963—qtr. to Jan. 31	4,592,000	—	7,000	.01	1,013,842
	1962—qtr. to Jan. 31	6,825,000	—	210,000	.21[6]	964,289

Notes: [1] Includes profit from sale of fixed assets equal to 50¢ a share. [2] Includes profit from sale of fixed assets equal to 36¢ a share. [3] After $725,000 tax credit. [4] Record. [5] Before capital gain of $1 million (25¢ a share) from sale of Motorola Finance Corp. (Vol. 2:25 p10). [6] Adjusted to reflect 5% stock dividend Sept. 1962.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Andrea Radio	Q	$0.12½	Apr. 1	Mar. 22
Clevite	Q	.35	Mar. 29	Mar. 18
Eico Electronic	Q	.06¼	Apr. 3	Mar. 20
Metromedia	Q	.10	May 1	Apr. 12
Howard W. Sams	Q	.15	Apr. 25	Apr. 10
Sangamo Electric	Q	.12½	Apr. 10	Mar. 22
Schlumberger	Q	.25	June 1	May 15
Trans-Lux	Q	.15	Mar. 29	Mar. 15

Gabriel doubts it will pay cash dividends this year, despite sharply improved 1962 earnings (Vol. 3:8 p12). Pres. Jerome M. Comar, who's also exec. vp of Maremont, which owns 51.5% or 379,340 of Gabriel's 735,913 outstanding common shares, said Gabriel will need cash because it "has substantial prepayments against long-term loans & plans for major capital improvements." Gabriel's last cash dividend was a 15¢ payment Dec. 1959. A 5% stock dividend was issued Nov. 1961.

Crowell-Collier has filed SEC registration for $5.5 million of convertible subordinated debentures due 1983. They will be offered for subscription, at 100% of principal amount, to common stockholders at rate of $100 face amount of debentures for each 60 shares held. Unsubscribed debentures will be offered for public sale via underwriters headed by Carl M. Loeb, Rhoades & Co.

AT&T 1962 salaries & stock holdings (as of Jan. 30, 1963) of principal officers, as noted in March 9 proxy statement: Chmn. Frederick R. Kappel, $254,400 & 1,111 shares; Pres. Eugene J. McNeely, $189,133 & 1,002; Vice Chmn. William C. Bolenius, $188,633 & 1,161.

Reports & comments: **Columbia Pictures & Screen Gems**, comments, Amott, Baker & Co., 150 Broadway, N.Y. 38 • **Avco**, analysis, Schweickart & Co., 29 Broadway, N.Y. 4 • **Litton Industries**, review, Coggeshall & Hicks, 111 Broadway, N.Y. 6 • **Amphenol-Borg Electronics**, comment, Francis I. DuPont & Co., Robinson Bldg., Philadelphia 2 • **AT&T**, comment, Hornblower & Weeks, 1401 Walnut St., Philadelphia 2 • **Avnet Electronics**, review, Stanley Heller & Co., 30 Pine St., N.Y. 5 • **AT&T**, analysis, Bruns, Nordeman & Co., 52 Wall St., N.Y. 5.

Corporate spending for new plants & equipment will rise 4.8% this year from 1962 to record $39.1 billion, surveys by Commerce Dept. & SEC indicate. Current quarter's capital outlay is at annual rate of slightly under $38 billion. Spending is expected to increase to approximately $38.7 billion in April-June quarter, rise to about $40 billion rate "for 2nd half of year," Commerce-SEC report said.

Daystrom increased "profitability" last year as parent Schlumberger's sales of electronic products rose to some $110-120 million from 1961's $99.4 million. Over-all, Schlumberger anticipates 1962 earnings of about $21.5 million on $255 million sales—up sharply from 1961's $17.9 million earned on $230 million sales. Schlumberger said gains result principally from electronics operations.

First public offering of Scripps-Howard Bcstg. Co. stock will be made—375,000 shares (15%) of shares outstanding. Stock is being made available through sale by 4 individual stockholders and E. W. Scripps Co.; latter owns 71.5%. After offering, Scripps Co. will own more than 66-2/3% and the 4 selling shareholders will retain more than 15%.

WEEKLY

Television Digest

with

Consumer Electronics . . . (starting on page 7)

MARCH 25, 1963 NEW SERIES VOL. 3, NO. 12

The authoritative service for executives in all branches of the television arts & industries

NAB LIBRARY

MAR 25 1963

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

RATINGS HEARING MAIN TENT OPENS with Nielsen under attack, Harris Subcommittee giving Pulse rough time. Nielsen offers suggestions for improvement (pp. 1 & 4).

FORD ON RADIO—IT'S NOT 'AMOS 'N' ANDY'—gets unanimous agreement of colleagues to aim for en banc hearing—learn radio programming 'as it actually exists' (p. 2).

NEW SPOTLIGHT ON SYNDICATION as NAB convention nears. A special report on new trends in off-network syndication, feature packages & overseas telefilm sales problems (p. 3).

PROGRESS TOWARD CATV REGULATION reported with NCTA membership backing board in negotiations for new law. Major issue: Should FCC regulate CATV in multiple-station markets? (p. 4).

OWNERSHIP LIMIT INCREASE to 5 uhf & 5 vhf suggested by Lee to help 'attract capital' to uhf station construction (p. 5).

'MINOW EFFECT' ON PRODUCERS examined by Trendex survey which finds major program producers stating Minow & FCC have had significant influence on output (p. 5).

Consumer Electronics

COLOR TV SALES DATA compilation for 1962 planned by EIA as RCA waives right to block collection of statistics (p. 7).

ALL-CHANNEL CHALLENGE confounds manufacturers as they shelve proposal for $100,000 PR campaign through EIA; Comrs. Lee & Henry place hopes with coordinating committee. EIA board to push again for uhf excise tax repeal (p. 7).

HI-FI 'GRADING SYSTEM' may be acceptable in lieu of definition, FTC official hints, indicating little progress has been made toward protecting public from lo fi (p. 8).

ENGINEERING DILEMMA in consumer electronics pinpointed by IEEE's Donald Fink on eve of world's largest engineer meeting (p. 9).

BROADENING EIA'S SCOPE is goal of new measures emphasizing distributor products, component hi fi, molecular electronics (p. 9).

NEW COLOR TUBE, patented by NYU scientist, attempts simplification of singlegun 'Apple' principle; manufacturers studying design (p. 10).

ADMIRAL & MAGNAVOX 1962 REPORTS: Magnavox sales rise 43% to record $202 million & earnings climb 41% to peak $12.7 million (p. 11); Admiral earnings drop to $2 million from $2.9 million despite 8% sales gain to $201.5 million (p. 11).

AB-PT NETS RECORD YEAR: Volume jumps to $379.7 million from 1961's $363.1 million, produces record $10.8 million profit vs. 1961's $9.9 million; ABC Div. also posts record sales & earnings (p. 11).

RATINGS HEARING MAIN TENT—NIELSEN: Seldom seriously challenged in broadcast industry, powerful A. C. Nielsen program-rating firm took its uncomfortable turn before Harris Subcommittee investigating ratings, while Pulse had even rougher time.

Though Nielsen came armed with massive documentation, Subcommittee kept insisting that witnesses were avoiding describing fundamentals of operations. In fact, though hearing had been expected to end last week, Nielsen witnesses have been called back for more, starting 2 p.m., March 26; there may be other witnesses, too.

Some observers still argue that whole thing will blow over, but Subcommittee certainly sounds as if it means to "do something." Of course, this is par for any vigorous Congressional committee. But Harris has record of stimulating regulatory agency action.

FTC is certain to be called back, sooner or later, to justify its consent decrees affecting Nielsen, ARB & Pulse—for not making them tougher. And FCC is bound to be brought into picture, too.

Wisely, Nielsen gave Subcommittee some ideas for industry self-improvement. Pulse Pres. Dr. Sydney Roslow, pressed for suggestions by Chmn. Harris, wearily said that "cooperative effort" of govt. & industry may be indicated. (For details of week's testimony, see p. 4.)

FORD ON RADIO—IT'S NOT 'AMOS 'N' ANDY': FCC Comr. Fred Ford's long-sought project is in the works. It's the job of updating Commission's knowledge of radio programming, followed by modernization of rules to conform with that knowledge.

In FCC meeting last week, it's understood that Commission unanimously approved Ford's motion: Instruct staff to prepare for an *en banc* hearing, such as that conducted for network programming. Here's essence of Ford's thinking:

"We still regard radio, officially, in light of what it was in the days of *Amos 'n' Andy*. We need to regulate the industry that actually exists—rather than the one we think exists. What is radio? What do we expect of it? I don't think we know enough to write a program form for radio. Those percentages for program categories, the ones we use now, bother me. Is a complicated statement of proposed program necessary?

"I believe that the FCC should send out staff members to study the programs of different kinds of stations—clear channel, regional, local, etc.—not to beat the stations over the head, but to be able to tell us what stations do."

Ford believes that Commission's TV programming inquiry, which culminated in July 1960 statement on FCC's program policy (full text in our Special Supplement No. 7, Aug. 1, 1960), was one of most useful jobs FCC has ever done. Now, he says, let's do the same for radio.

NEW FOCUS ON SYNDICATION: Non-network programming of all types is increasingly in spotlight as NAB Chicago meeting draws closer. Competition is getting keener for station's syndication budget, both here & overseas.

We've noticed definite upbeat of activity on a number of major syndication fronts in past few weeks. Much of this will be translated into stepped-up sales campaigns, promotion efforts & extensive trade advertising. Some highlights:

• **'Off-network' reruns:** Term "off network" is being used in same way booking agents once drummed up trade for vaudeville acts which "have just played the Palace." Warner Bros., for example, is predicting contract commitments totalling $10 million by year's end for off-network properties like *Bourbon St. Beat* & *Hawaiian Eye*. Four Star TV, syndication offshoot of Hollywood telefilm major, has plunked down $1.5 million to clear residual rights (for 10 years) to *The Rifleman* & *The Detectives*, will soon launch sales campaign. ABC Films, MCA, 20th Century-Fox—among others—are pushing hard on off-network film product.

Seldom mentioned by syndicators, however, is one major problem. Hour-long syndicated rerun shows are dandy buy for independent stations with flexible program schedules, but present a headache to network affiliates which must usually spot such shows in early-evening time, or in place of movies late at night. In turn, this creates problem of producing enough revenue from non-prime time low-rate advertisers to justify expensive purchases of 60-min. rerun packages—which sometimes draw poor local ratings.

• **Feature films:** There's steady demand for features, and the good ones play on & on in TV. Source at United Artists Associated, which handles large libraries of pre-1948 Warner Bros. & RKO pictures, told us in N.Y. that "business is as good as ever" on individual-picture sales of films like "Casablanca," now that block selling is outlawed as pressure tactic.

New features are scarce, snapped up quickly. A 30-picture package from 20th Century, consisting of films seen on NBC-TV's network movie series, has been sold (according to 20th) in 31 markets so far, for gross of $1.75 million, with sales averaging over $100,000 weekly. Embassy Pictures, which recently joined independent "TFE—'63" exhibit near NAB convention as a late starter, today virtually uses TV as replacement for theatrical runs in small neighborhood houses. Low-budget pictures are particularly ripe for out-of-theaters, onto-TV circuit; a movie like "Marty," for instance, could today make back its entire production budget (about $300,000) in TV alone in about 2 years with network exposure plus rerun, and off-network showing via syndication in top 100 markets.

• **Overseas syndication:** Foreign market gains steadily in syndication importance, with beyond-U.S. set count now standing at over 65 million (see our new 1963 *Television Factbook*). But this is one area where supply often exceeds station demand, and where artificial quotas, price ceilings & national prides are problems.

Higher prices will be sought for U.S. syndicated shows abroad (mostly telefilms) by TV Program Export Assn. this summer. Back in N.Y. from 6-wk. global survey of TV markets, TPEA pres. John G. McCarthy said that payment in Britain, Japan, Australia, West Germany, etc. was largely "inadequate," that his group planned to push with every means short of actual boycott for "cooperative action" among members to raise prices. A particular McCarthy gripe: Japan has $3.3 million ceiling on import shows, which spells top price of only about $1,000 per half hour for market with over 12 million sets.

PROGRESS TOWARD CATV REGULATION: Go-ahead to seek regulation for community antenna industry has been given by nation's CATV operators. Following National Community TV Assn. board vote (Vol. 3:7 p2), NCTA spokesmen went to grass roots in regional meetings, obtained virtually unanimous agreement on proposed legislation.

However, negotiations between NCTA & FCC aren't through yet. Major area on which agreement is needed: Should proposed FCC regulation of CATV apply in communities with more than one station? Apparently, CATV operators are ready to accept regulation in one-station markets—but believe govt. controls in multiple-station communities would make operations almost impossible.

Here's how: If CATV agrees not to carry out-of-town-originated programs simultaneously with local telecasts of same programs, such cut-outs could be managed. But they believe cut-outs of 2 or more out-of-town signals would create a shambles of their service. Incidentally, there now appears to be good chance that FCC will drop its proposal to forbid CATV duplication of local-station programs for 30 days before & after local telecasting; apparently, Commission is leaning toward agreement to prohibit only simultaneous duplication.

One sticky piece of litigation is about to be resolved, meanwhile. In Clarksburg, W. Va., CATV operator Fortnightly Corp. (which also owns *Reporter* magazine) is buying local WBOY-TV (Ch. 12) & WBOY for $950,000, from Rust Craft Bcstg. (Berkman interests). Rust Craft has 2 suits pending against Fortnightly, directly or indirectly. In U.S. Dist. Court (W. Va.), it charges Fortnightly with unfair competition. In Washington, before U.S. Court of Appeals, it has suit against FCC for failing to regulate CATV. Neither has gone to trial yet; both will be dismissed when sale is approved.

CATV resolved another problem recently, when N.Y. Bell system was persuaded to reverse position and grant systems pole attachment rights. Negotiations were conducted by Triangle Publications' Roger Clipp & Jerrold Electronics' Daniel Aaron, whose firms are partners in Binghamton system (below). Bell decision is expected to spark growth of more systems in N.Y. state. Aaron, incidentally, is joining Zal Garfield, former asst. to Jerrold pres., and Pete Musser, as partner in CATV & general business brokerage & management firm (1616 Walnut St., Philadelphia, Kingsley 5-8285). Another telecaster is entering CATV: John Dille, pres. of WKJG-TV Ft. Wayne and WSJV Elkhart-South Bend, heads group building system in Lafayette, Ind. in partnership with Jerrold.

Freeze on microwave grants to CATV systems, in Business Radio Service, will be lifted, FCC decided, if grantee intends only to bring in ETV signals. However, Commission imposed condition: CATV must also agree to distribute present & future local stations' signals over its system, too. Comr. Bartley dissented to imposition of condition. Comr. Minow dissented in part, agreeing with FCC aims but stating he saw no justification for imposing a "price" for the microwave grant. FCC still has pending proposed rule to require CATV to carry local signals as condition of getting new microwave grant.

Tele-Measurements Inc., broadcast equipment sales firm headed by J. R. (Jack) Poppele, opens N.Y. hq. at 45 W. 45th St. (phone LT 1-9020). Tele-Measurements distributes Tele-Beam TV projector (Vol. 3:4 p7), "Simplimation" radio automation equipment, other broadcast gear.

Some results of Phonevision pay-TV test in Hartford were reported last week in Zenith's annual report, which said number of subscribers now exceeds 2,000 and "subscriber expenditures for programming are exceeding the anticipated rate." Patterson-Liston fight was most popular attraction during first 6 months, drawing 85% of homes. Next highest was 65% for "The World of Suzie Wong." Among others: "Notorious Landlady," 58%; Kingston Trio special, 41%; Bolshoi, 29%; Boston-N.Y. basketball, 13%.

Binghamton, N.Y. CATV system, owned by Triangle Publications (WNBF-TV) and Jerrold Electronics, can now be built, following phone company's go-ahead on pole use. Franchise holder is Empire TV Cable Co., headed by Triangle's Roger Clipp and Jerrold's Daniel Aaron. City has 3 stations; cable will bring in signals of 3 N.Y. independents & educational WNDT.

NIELSEN & PULSE SURVEYED: Both Harris Subcommittee and Nielsen were primed for rating hearings last week (p. 1)—and Nielsen got its share of lumps, though nothing like the fierce keelhauling suffered by some firms on stand preceding week (Vol. 3:11 p3). Pulse had no picnic.

Nielsen was represented by 4 top-rung executives, although Chmn. A. C. Nielsen Sr. was in Paris, Pres. A. C. Nielsen Jr. en route to Australia. Henry Rahmel, exec. vp & media research div. mgr., explained that a rating is an "estimate"—but not a "guess." With help of Warren Cordell, vp & chief statistical officer, Rahmel attempted to define accuracy of small samples. He referred to special 1954 Census study made at request of Nielsen. This compared characteristics of households in 400-home samples with those of all U.S. households. Error was very small, Cordell asserted. But, Harris said, Census study dealt with household items, not human behavior.

Cordell said that "perfection is not our goal," because of budget limitations of clients. He also gave elaborate detail on Nielsen's current installation of new sample based on 1960 Census. (Company has been criticized during hearings for allegedly not having changed basic design since 1947.) Moss asked, regarding use of 1960 Census: "How many homes have you changed up to now?" Cordell said "Very few."

Nielsen then produced chart after chart on its national services. Moss interrupted, said company had taken "maximum amount of time to present minimum amount of material" on validity of sample & measurement tools.

Subcommittee also questioned field work & controls. Staffers Robert Richardson & Rex Sparger told about visit to Audimeter home in Texarkana. Woman didn't like Jack Paar statement about Mississippi integration crisis. Although she would have watched program if she had no Audimeter, Richardson said, she cut Paar off, aiming to affect his rating. "Isn't this a bias?" Richardson asked.

Noting that one Nielsen sample home equals 50,000 homes and that 10-12 homes make one rating point, subcommittee counsel speculated on possibilities of interested parties learning which homes have audimeters—because Nielsen has a fixed, not variable, sample. Rahmel said if subcommittee thinks there is real danger of people tampering with these homes, Congress can pass laws. Richardson countered: "Why don't you do away with the fixed sample?"

Subcommittee also charged that Nielsen's national & local reports aren't compatible, as claimed in one of its ads. This referred to testimony of ABC Radio Pres. Robert Pauley that in one case (he provided 6 examples) national rating showed 98,000 homes listening while total of only 5 local reports equalled 138,000 for same program. Nielsen conceded the situation, although its tally was somewhat lower for both figures. Cordell said figures are well within "our statistical tolerance." Subcommittee is more interested in "common sense," said Moss.

Pulse's Roslow was questioned sharply on sampling design & execution. For example, much heat was generated by Subcommittee analysis of Nov. '61 report for metropolitan Louisville, covering 3 counties. Subcommittee said one county's survey was made in city 80 miles from Louisville, another 160 miles. Roslow conceded it was "laxness." Subcommittee also brought to light that radio stations receiving below minimum share-of-audience in Pulse survey aren't listed by call letters unless they buy report.

Roslow conceded that accuracy of reports can fluctuate 20-30% and that judgment is needed to use ratings properly. Richardson also charged that in some cases a station's program listings are left off Pulse's "aided roster recall" sheet that interviewers present to householders. "Isn't that harmful to stations?" he asked. If a station won't send program logs, Roslow said, there's nothing that can be done to include programs. He said interviewers should carry newspaper logs, too. Richardson charged that in some cases interviewers don't carry those, either. "Is this a true reflection of listening?" he asked. "If a station's listening is significant, it would show," Roslow replied.

Subcommittee counsel said that Pulse interviewers aren't carefully supervised and that, in fact, they don't keep to sample design. Richardson also asserted that Louisville report had stated sample of 1,609, but actually only 796 households were sampled. He eliminated coincidental calls and "not at homes."

Pulse was criticized for its weighting procedures. Subcommittee produced chart comparing audience shares on basis of field work with figures published in report. In one case, field work showed station with 23.6 share, but printed report gave it 12. In other cases, stations were graded up, while some stayed same. Subcommittee claimed that weighting procedures were "arbitrary."

Rep. Younger (R-Cal.) wanted to know if Pulse would make refunds to stations harmed by reports. Roslow said he'd review matter with counsel.

At week's end, Nielsen submitted these suggestions to improve ratings, dependability. Among them: (1) Develop standards to govern unusual promotions during rating week and ask FCC to require stations to advise it of such promotions. (2) Launch cooperative effort among agencies, advertisers & broadcasters to recommend definitions of metro or central areas. (3) Form technical committee, possibly under NAB, to serve as clearinghouse to safeguard against abuses of ratings.

———■———

FTC filed false-advertising complaint against Plough Inc. and its agency, Lake-Spiro-Shurman Inc., Memphis, charging misrepresentation in claims for St. Joseph aspirin arising from FTC's own test of analgesics as reported in *Journal of American Medical Assn.* Complaints were similar to those leveled against Sterling Drug Co. in Bayer aspirin case—in which N.Y. federal judge refused to grant FTC request for injunction to stop the ad claims (Vol. 3:6 p4 et seq.). FTC charges Plough deceived by implying that study was made by AMA, that investigators found product caused no "noticeable stomach irritation" and that it was "gentle to the stomach as a sugar pill."

Help for uhf technology is fine function for FCC, but Commission should steer completely clear of business & managerial matters. So stated FCC Comr. Ford, in letter to Sen. Pastore (D-R.I.), expressing his views on FCC-sponsored Committee for Full Development of Uhf Broadcasting (CUB). Ford said he's concerned lest FCC help "oversell" uhf, run danger of "tragic setback" uhf suffered in early 1950's. He's also concerned that "artificial stimulation" of commercial uhf activity could interfere with orderly growth of ETV on uhf—and he said he believes that nationwide ETV system can be achieved only through uhf.

'MINOW EFFECT' ON PRODUCERS: "Newton N. Minow and the current policies of the FCC of which he is chairman have succeeded in changing the face of American TV."

So starts press release describing survey of 43 TV producers, conducted by Trendex for Venet Ad Agency, Union, N.J. Survey covered producers of 11 of top 15 rated programs, including executives of Revue, Four Star, 20th Century, Screen Gems, Talent Assoc., MGM-TV, Plautus, Warner Bros., Filmways, Desilu, T & L. There were 4 questions:

(1) Has FCC Comr. Minow's call for more balanced programming & more diverse fare influenced your thinking in the kinds of program ideas you might come up with—i.e., more ambitious productions, more cultural slant, etc.? Of respondents, 48.8% said "yes." Of those who said "no," most said they'd been trying to improve quality "before FCC pressure."

(2) Has your approach to scenes of violence been softened? "Yes," said 23.3%. "However," release states, "at least 25 of the respondents who said 'no' indicated that violence of any kind" is completely outside their formats.

(3) Do you think that Minow should be discussing programming at all? Surveyors found "an astounding 81.4% . . . had no objection to the FCC's intervention in the programming area."

(4) Do Minow's program values in general have merit? "A one-sided majority of 79.1% voted affirmatively."

Conclusion: "As this survey indicates, not only is the outcry from one of the groups most intimately concerned with the problem—programming executives themselves—almost inaudible, but they present an attitude which might easily be interpreted as a mandate for 'state intervention.'"

Minow's reaction? "No comment."

———■———

NAB's opinion of Omaha-type investigative hearings, by FCC, has been well-expressed repeatedly by Pres. Collins, and Gen. Counsel Douglas Anello last week backed it with strongly-worded memo filed with Commission. It concludes: "If the Commission has just cause to question the capability of any broadcaster, or to doubt his good faith in service to the public, then there are adequate powers available to it. It can place the license of that broadcaster squarely on the line in either a proper renewal or revocation proceeding, with all the rights of due process fully available to him. It should stop its efforts to govern by harassment, by needling, by nibbling in a proceeding directed indiscriminately against all broadcasters . . . Congress did not intend such a means of influencing programming. Neither did it intend a vain & useless thing."

Philco surprised a lot of people last week when its attorney Henry Weaver told FCC that firm would continue to prosecute its application for Philadelphia's Ch. 3, contesting renewal of NBC's WRCV-TV (Vol. 3:11 p5). This followed Commission's decision to reject Philco-NBC plan whereby former would withdraw, getting up to $550,000 from NBC for expenses. After the parties' final settlement of abrasive patent litigation (Vol. 3:1 p7), it had been assumed Ch. 3 problem would also be resolved. That's still assumed—but legal strategy remains obscure.

LEE: 'RAISE OWNERSHIP LIMIT': Comr. Robert E. Lee threw another uhf-aid proposal into pot last week: Raise multiple TV station ownership limit to 10—5 vhf & 5 uhf. He advanced recommendation in EIA Consumer Products Div. meeting in Washington, at which he & Comr. Henry discussed all-channel law implementation (see also p. 7).

Lee said he felt raising ownership limits from present 5 vhf & 2 uhf would help "attract capital" to uhf station construction. He also told group that "in next week or so" FCC will adopt rules reducing uhf audio-to-visual power ratio and relaxing directional antenna requirements (Vol. 3:10 p3). He added that Commission's final report on its N.Y. uhf experiment will be issued "in a matter of days." He conceded that results could have been predicted by engineering computations, but said: "The purpose of the test was as much to demonstrate [that uhf would work] as to experiment."

On subject of land mobile radio services, request for elimination of TV's Ch. 14 & 15, he advised bluntly: "Land mobile as a practical matter is not going to get any relief from the broadcast spectrum." He said proposal was "poor politics" and its timing was inauspicious. "Perhaps some time, land mobile may be able to share unused vhf channels with TV on a non-interference basis," he added.

As if in direct reply, EIA's land mobile communications section voted opposition to any sharing of vhf TV frequencies on basis that this might open way to requests by other radio services for use of channels now assigned to land mobile.

———■———

Executive committee of Committee for Development of UHF Broadcasting, released by FCC at week's end (see p. 7); Edwin M. Marshall, AAAA; Dr: Wayne Masters, Melpar; Seymour Siegel, WNYC-TV N.Y.; L. M. Sandwick, EIA; Adam Young, Adam Young Inc.; Lawrence Webb, Station Representatives Assn.; Harvey Struthers, CBS; Ben Adler, Adler Electronics; William L. Putnam, WWLP Springfield, Mass.; Thad H. Brown, Assn. for Competitive TV; Vincent T. Wasilewski, NAB; Percy H. Russell, attorney, Washington; W. T. Hamilton, WNDU-TV South Bend; Lester Lindow, AMST; Edgar W. Holtz, attorney, Washington; Dr. Frank G. Kear, engineer, Washington; Peter B. Kenney, NBC; Frank Marx, ABC; Sarkes Tarzian, Sarkes Tarzian Inc.; Mort Farr, NARDA.

New short-spaced vhf plan has been devised by Bureau of Standards' Robert Kirby. It's designed to meet some criticisms of his original plan (Vol. 2:49 p3). He has raised minimum adjacent-channel separation from 15-20 to 35 miles and reshuffled channels to keep 7 channels in N.Y. & L.A. instead of cutting them to 6. To effect latter, he had to juggle assignments in 54 cities. Copies of new plan are available from Kirby at Central Radio Propagation Lab, Boulder, Colo.

"Obscenity case," in which FCC ordered licensee denial for radio WDKD Kingstree, S.C. (Vol. 2:31 p3), has been chosen as subject of Harvard Law School's Ames Competition "moot court"—a major wit-testing event.

Proposal to lift TV-radio coverage ban on House committee hearings has been deferred by House Rules Committee for this session (Vol. 3:9 p2).

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington 6, D. C.
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, *Editor & Publisher*
JONAH GITLITZ, *Monoging Editor, Television Digest*
PAUL STONE, *Editorial Director, Television Factbook*
VIRGINIA SNOWDEN, *Monoging Editor, Television Factbook*

BUSINESS
EDWARD M. KELLY, *Generol Monoger*
RUDOLPH SAPPER, *Circulotion Monoger*

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, *Editoriol Director*
CHARLES SINCLAIR, *Contributing Editor*

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphio 51, Po.
Midwoy 2-6411
HAROLD RUSTEN, *Associote Editor*

TELEVISION DIGEST. Published Mondoys. Services: $75-$150 onnuolly. For group rotes & other subscription services, write Heodquorters.
TELEVISION FACTBOOK Published Annuolly
TV & AM-FM ADDENDA Published Soturdoys
AM-FM DIRECTORY Published Annuolly

WKRG-TV Mobile, 50%-owned by *Press Register*, has been subject of complaints, FCC announced, that newspapers' salesmen have threatened potential advertisers with unfavorable publicity if they didn't buy time on WKRG-TV or WKRG (or promised favorable publicity if they did). Station Pres. Kenneth R. Giddens flatly denied charges. On March 20, FCC released March 6 letter to WKRG-TV, saying information it has indicates that "complaints were neither frivolous nor completely unfounded" —though Commission doesn't have sufficient information to "justify institution of hearing proceedings." Giddens wrote FCC 7-page letter describing separation of station & newspaper staff & functions, reporting no knowledge of facts to support complaints, telling of methods used to provide adequate safeguards.

Lifting of equal time provision of Communications Act for Presidential and Vice Presidential candidates in 1964 elections was urged last week by chairmen of Democratic and Republican national committees. Both spokesmen told House Communications Subcommittee that they were not in favor of suspending Sec. 315 for state and local candidates at this time (Vol. 3:10 p3). Rep. Harris (D-Ark.) said he thought provision could be lifted for Senate & gubernatorial elections.

Station Sale: KFEQ-TV (Ch. 2) St. Joseph, Mo. and radios KFEQ & KLIK Jefferson City, Mo. have been sold to Mid-States Bcstg. Corp. for $1,750,000 by Jesse D. Fine family, operators of Indiana theater chain. John P. McGoff is pres. of Mid-States (WSWM East Lansing, WQDC Midland, WGMZ-FM Flint, WABX-FM Detroit). Negotiations were handled by Hamilton-Landis.

Jefferson Standard stations WBTV & WBT Charlotte & WBTW Florence, S.C., have started editorializing for first time in 18-year history. Editorials will be repeated 4 times daily, running 1-5 min.

Personals

Theodore Shaker, pres. of ABC Owned TV Stations & ABC-TV Spot Sales, adds job of WABC-TV N.Y. gen. mgr., replacing **Joseph Stamler**, vp & gen. mgr. resigned. **Richard Beesemeyer**, ABC-TV Spot Sales sales mgr., Los Angeles, promoted to WABC-TV gen. sales mgr., replacing **James Szabo**, who stays with company in as yet unnamed position. **Arthur Gross**, program dir., resigns.

Edward A. Warren, ex-WNBC-TV N.Y. program dir., appointed to similar post for ABC's TV o&o's . . . **Duane Watts**, KHAS-TV Hastings, Neb. gen. mgr., elected to station's board of directors.

Arthur Sulzburgh, ex-SRDS Data promotion mgr., appointed asst. research dir., CBS-TV Stations Div. . . . **Dr. Harold F. Niven Jr.**, outgoing pres. of APBE & asst. prof. of telecommunications, U. of Wash., joins NAB as asst. to vp **Howard H. Bell**.

Sam Cook Digges, CBS Films administrative vp, nominated for pres. of IRTS, N.Y. . . . **Tom Loeb**, ex-Ashley-Steiner gen. exec., named CBS-TV live programming supervisor.

Charles C. Bevis Jr., ex-asst. exec. dir., Assn. of Maximum Service Telecasters, appointed exec. dir., Assn. on Broadcasting Standards, Washington . . . **Grover C. Cooper** named partner of Fisher, Wayland, Duvall & Southmayd, Washington law firm.

Ralph Radetsky, KOA-TV-AM-FM Denver exec. vp, and **Thomas P. Campbell**, a company founder, elected pres. and chmn., respectively, succeeding **William Grant**, resigned, who held both posts.

Carter Hardwick Jr., managing dir., WSFA-TV Montgomery, Ala., elected vp . . . **John Dailey**, WOW-TV Omaha salesman, promoted to local TV sales mgr., **Dale Larson** to TV production mgr.

William E. Moore, Avery-Knodel Pacific Coast radio mgr., Los Angeles, moves to San Francisco office. **Douglas MacLatchie**, Los Angeles TV sales mgr., succeeds him as mgr. of that office.

■

Ollie Treyz is in Florida for brief vacation, following exit as N.Y.-based sales head of Warner Bros. TV. Official word at WB was that parting was "amicable." Madison Ave. rumor has it that Treyz is considering a top TV spot at one of Big Five ad agencies. Same agency, incidentally, already has at least 3 former top-rank network executives on its payroll now. On heels of departure of one-time ABC-TV pres. from Warner post came word that WB had pulled off a sales nifty on its own from its Burbank hq: A last minute 5th-year renewal for the show which started the whole slick-private-eye cycle—*77 Sunset Strip*. It will again be in Friday-night ABC lineup.

TV can sell special services within frame of mass-market medium, GE has discovered in test of taped minute spots plugging firm's Service Shops Dept. Local-level spots were used adjacent to network telecasts of major sports events, sold nothing to public but put stress on Service Shops specialty of routine & emergency repair of heavy industrial motors, generators, etc. Tests were made in Milwaukee & Albany areas, proved so successful (70% of customers & prospects remembered sales message on TV) that GE now plans to use similar TV promotion for industrial services in over 50 cities.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

EIA TO COMPILE COLOR TV SALES DATA: End to all the speculation, conjecture, braggadocio & innuendo was in sight at week's end. About color production & sales, that is.

EIA's consumer products marketing services committee reported to the manufacturer association's spring conference in Washington that all color TV manufacturers, including non-members of EIA, had reached virtual agreement on reporting sales & production of color sets. Only non-agreeing manufacturer was understood to be non-member which declined to commit self before learning exact nature of reports & statistics —but EIA marketing services officials were optimistic about prospects of having 100% industry cooperation.

Agreement was made possible by RCA's waiver of its right to block collection of statistics in field where it produces or sells more than 50% of industry output. (In case of color, this could apply to both color sets & color tubes.)

EIA hopes to report color TV sales beginning in July, retroactive to Jan. 1, thereby presenting full picture of 1963. This should settle many arguments. At least 4 manufacturers have conducted exhaustive surveys of 1962's color TV set sales, and you can hear estimates all the way from 225,000 sets to nearly 500,000 —with elaborate proof to back them up. There were still some manufacturers who were dubious, when EIA meeting broke up, that RCA would actually and finally consent to contribute its own color figures.

MANUFACTURERS FACE ALL-CHANNEL CHALLENGE: Reality of all-channel law, and the tremendous task of educating public, is beginning to face TV manufacturers—13 months before April 30, 1964 demise of the vhf-only set. Much of corridor talk and Consumer Products Div. meeting at last week's EIA spring conference was devoted to subject, with little concrete results except increasing realization of magnitude of job.

Division executive committee, under acting chairmanship of Motorola Consumer Products Pres. Edward R. Taylor (substituting for Olympic Pres. Morris Sobin, who was ill), tentatively turned down proposed $100,000 dealer-consumer all-channel education program prepared by N.Y. promotion agency Sumner Rider & Assoc. at its request. Committee had agreed to approve study subject to participation of at least 75% of EIA TV members—and sentiments at meeting indicated this participation probably will not be forthcoming.

Last-ditch attempt to eliminate problem by persuading Congress to repeal or cut 10% excise tax on all-channel TV sets was approved at week's end by EIA board of directors. Although elimination of excise tax could wipe out anticipated $20-$30 retail increase required by inclusion of all-channel tuners, there was little realistic hope that this legislation—introduced in every Congress since 1953—would get anywhere.

Placing their hope in FCC-coordinated all-industry Committee for Development of UHF Broadcasting (Vol. 3:11 p2) were FCC Comrs. Lee & Henry, who discussed problem with EIA members. Lee, who had just come from addressing service technician group on subject of uhf, outlined proposals to stimulate uhf broadcasting (see p. 5). He praised EIA for "constructive approach" to matter, stressed that education of public was necessary. Henry asked set manufacturers' advice on "promotion of uhf without overselling it."

All-industry committee, said Lee, will hold next full meeting in late April or early May, after meeting of steering committee in Chicago April 4. List of steering committee members, released after EIA session, contained names of no TV set manufacturer personnel—but name of EIA consumer products staff dir. L. M. Sandwick was included (for list, see p. 5).

Encouraged by Commissioners' attitude of friendly cooperation & assistance at EIA meeting, Motorola's Taylor made logical proposition: "What bothers us is that the $25-$30 price increase is going to slow

down TV sales unless the consumer understands. If we put together a public relations program, can we get govt. money to finance it?"

Lee considered carefully, replied: "I'm not ruling that out. We might ask for an appropriation . . . but it's a time-consuming matter." To emphasize need for dealer education, Taylor cited Motorola survey, in which dealers gave their ideas on uhf & all-channel law. Typical responses, he said, were: "Some sort of crackpot govt. idea" . . . "Scheme for manufacturers to make more money" . . . "Something to do with Telstar." Taylor summed up: "Of course, the dealers will contribute to sell the sets—but somebody's got to sell the idea."

New FCC supplementary rules for administration of all-channel law were in preparation, meanwhile, and will be issued in few weeks. FCC staff is leaning toward exempting special classroom ETV sets from all-channel law. It hasn't made definite conclusion yet regarding other exemptions sought by industry—sets for hotels, motels & apartments which have uhf converters on their master antenna systems. EIA's Sandwick brought up another case which may need special interpretation: Manufacturer ships TV sets interstate to port for export to Latin America. Is he required to include all-channel tuner?

GRADING SYSTEM INSTEAD OF HI-FI DEFINITION? Package phono manufacturers explored with an FTC representative the possibility of substituting sliding scale of "acoustic quality" measurements for that official definition of "high fidelity" the FTC is seeking.

Meeting with EIA phono section in Washington last week, Martin Shepherd Jr. of FTC's Bureau of Industry Guidance gave impression that FTC was far from any major progress in its efforts to adopt standards to protect public from spurious hi fi. At same time, set makers made it clear they were irked with whole megillah, even though they're cooperating fully. Those who also make TV sets (and that includes majority of EIA phono manufacturers) indicated that they already have one transcendental govt.-imposed headache—explaining all-channel set law to public (see p. 7)—and they need hi-fi problem about as much as Asian flu.

Shepherd told manufacturers that component hi-fi manufacturers (who haven't yet submitted proposed definitions) and hi-fi magazine readers who have written letters to FTC generally want more stringent definition than that proposed by EIA. He said FTC has discussed possibility of "A, B, C" or "choice and prime" ratings, as well as separate definitions for packaged & component hi fi.

Among phono makers there was sentiment for adopting standard "acoustic quality" ratings similar to auto industry's approval of SAE horsepower ratings. Suggested rating system would be simplified version of method proposed last June to EIA loudspeaker section by Lincoln Walsh, Walsh Engineering Co. (Vol. 2:26 p14), and which will be further discussed at section's meeting next June in Chicago. System is designed to measure acoustic qualities of complete system or any part of hi-fi system, and could be applied to packaged phonos, component systems or individual components.

Deep in their hearts, however, packaged phono manufacturers feel sound quality generally is subjective factor which can't be measured satisfactorily, any more than beauty of music can be measured. This they told Shepherd with considerable eloquence and side references to the Mona Lisa. Shepherd remained unconvinced. The situation remained confused.

• • • •

Export & licensing business in FM stereo receivers may open up soon in many parts of world, FCC FM-stereo expert Harold Kassens told EIA's radio section in another spring conference session. Reporting on CCIR's recent Geneva conference, he said international radio group was unable to reach agreement on world FM-stereo standards. Countries now have "satisfied their diplomatic obligations," he said, and "there's nothing to prevent them from going ahead with FM stereo now." He predicted several countries would follow lead of U.S. & Canada, begin soon.

Disagreement at CCIR wasn't violent—but many countries had more pressing broadcasting problems and weren't ready to tackle official FM stereo standards. Iron Curtain countries opposed U.S. system, seeking to substitute own system which they say would permit transmission of stereo or 2 separate monophonic programs on same FM channel.

Kassens' briefing of radio section was closed-door affair, and in subsequent news conference he declined to name countries which are prepared to adopt FM stereo standards. From other sources, however, we learn that France, West Germany, Italy, Netherlands, Japan & Spain have informally indicated they hope to start stereocasts on U.S. standards within year or 2.

In an action designed to attract component hi-fi and other smaller & specialized consumer products manufacturers, EIA formally established new products section of Consumer Products Div. Headed by Malcolm S. Low of KLH, it will cover such products as tape recorders & PA systems, in addition to hi-fi components.

TV-RADIO PRODUCTION: EIA statistics for week ended March 15 (11th week of 1963):

	March 9-15	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
TV	134,464	135,215	128,905	1,458,432	1,424,385
Total radio	315,997	309,829	365,200	3,460,579	3,973,852
auto radio	140,536	142,354	122,064	1,601,243	1,380,449

CONSUMER ENGINEERING 'LAG': On eve of world's largest engineering meeting, this week's IEEE convention & show—where consumer product developments are extreme rarities—IEEE's gen. mgr. spoke out on dilemma of consumer electronics engineering. Addressing research & development symposium in Washington, sponsored by National Security Industrial Assn., Donald G. Fink highlighted problem of time lag between important scientific developments and their application in consumer products.

Problem, he said, is how to see to it that sums spent in govt. R&D also are used properly & quickly in nonmilitary economy. Important govt.-financed developments, he said, usually require 5-10 years to trickle down to consumer products. Taking transistor as example, he pointed out it took nearly 8 years from original development to its application in consumer goods, with use in such industrial equipment as computers an intermediate step.

Consumer electronics engineers, he said, use same technologies as military & industrial engineers, "but under different circumstances—they must think in terms of 1/10 of a cent." Because of cost pressures, too, Fink declared, consumer product labs aren't as well-equipped as military & industrial electronics labs. "Therefore, there is a tendency of consumer product engineers to move more into govt. R&D. When they move, they usually find the new pastures to their liking and they rarely move back." Going back to consumer electronics often means a pay cut, he said. "As a matter of national policy," he added, "we should consider how we can shorten the 5-10 year lag of time" between govt. & consumer application of new principles & devices.

—■—

No price reductions on RCA color sets "in the next year or so" were foreseen by RCA Sales Corp. ad & promotion vp Jack Williams in talk to Hollywood Ad Club last week. He called Los Angeles area the No. 1 TV market and said sales there were growing 59% faster than rest of country. In response to question, he said he didn't think "any furor will be created" if 23-in. rectangular tube were introduced by another manufacturer this year.

Broadening EIA's Scope: Reflecting changing pace of electronics—and EIA's desire to appeal to wider segment of industry—were these moves approved at week's end by board of directors: (1) Amended bylaws, subject to membership vote, to establish new div. composed of members whose products are sold principally through parts distributors. (2) Authorized Pres. C. F. Horne to appoint joint management committee to coordinate all of EIA's engineering committees working in fields of molecular electronics. (3) Formally broke up Tube & Semiconductor Div. into 2 separate divisions.

In another action, AM-FM broadcasting & radio sections agreed to work with FCC in establishing standards for FM stereo broadcast monitoring equipment after FCC opens inquiry for establishment of standards.

Elections: To EIA Board—A. P. Clowe, Western Electric, and Daniel J. Gribbon, Lockheed Electronics, representing Military Products Div.; Marion Pettegrew, Erie Resistor, representing Parts Div.; Merle W. Kremer, Sylvania, representing Tube Div. **To division posts—Parts Div.**—J. A. (Shine) Milling, Howard W. Sams & Co., chmn.; Walter Slocum, International Resistance, vice chmn. **Semiconductor Div.**—S. L. Levy, Philco, chmn.; Harper Q. North, Pacific Semiconductor, vice chmn. **Tube Div.**—George W. Keown, Tung-Sol, acting chmn.

—■—

Charter members of newly formed Aerospace Research Applications Center include RCA, ITT, Arvin Industries, Sarkes Tarzian. ARAC seeks to develop industrial benefits from govt.'s investment in space research. Organizational meeting of 26 corporations was hosted by Indiana U. Business School Dean Arthur M. Weiner, at Bloomington, Ind. Center has support of National Aeronautics & Space Administration, which has contributed $150,000 to its operation. ARAC will serve as a clearing house to analyze space research for ideas & advances that can serve private nonspace industry.

New sets: Granco introduces 3 new table radios—FM only, FM-AM & FM-AM-clock—ranging from $19.95 to $39.95 . . . Telectro premieres full-feature tape recorder with 6-watt peak output at $79.95.

Olympic TV sales for Feb. were 30% higher than in Feb. 1962, Pres. Morris Sobin announced.

Another Color Tube: Several set & tube manufacturers have been inspecting proposal for new single-gun color tube recently patented by David M. Goodman, senior research scientist at NYU engineering research div.

Tube is of beam-indexing type—somewhat similar to Philco-developed "Apple" tube, but avoiding some of Apple's complexities—we were told last week by Goodman. Among differences from Apple is use of X-rays (rather than secondary emission of ultraviolet rays as used in different versions of Philco's tube) to perform indexing function. Phosphor screen is applied directly to tube faceplate in vertical color strips along with thin indexing strips.

Goodman claims his method can produce tube equal in quality to RCA shadow-mask tube, for sale at about $40 including profit—less than half price of RCA tube—with equal brightness & resolution. He said phosphor can be applied without removing tube faceplate (permitting use of single-piece bulb), because no shadow-mask is inserted. Although receiver circuitry would be slightly more complex than present sets at first, he said costs would not be excessive and could rapidly be reduced. He said no "breakthroughs" or expensive tooling would be needed to produce tube & set, and he foresaw few problems in getting into production quickly.

Official of one TV manufacturer which has been studying Goodman's patent told us last week that he's withholding judgment, but that neither he nor his company is convinced that tube & receiver would be better or cheaper than present system.

———■———

Newspaper advertising of color sets increased 164% last year over 1961, Advertising Checking Bureau reports. In 149 cities, ACB found color TV ads accounted for more than 13 million lines in 1962, compared with less than 5 million in 1961. Second highest percentage increase among all appliances was tape recorders, up 55.5% in 116 cities. Phono ads were up 25.8%, all TV sets 22.4%.

Full-page ad by Color Electronics Corp., Brooklyn color TV manufacturer (Vol. 3:10 p9) in *Radio & Television Weekly* urges dealers to "stop ignoring a $200 million a year business," and advises them: "You can make a real buck with Color by Kane." It's signed by Pres. Irving (Chick) Kane and features photos of 2 lowboy consoles & one consolette. No prices are given.

Buy black & white now—convert to color later for $300. That's pitch of National Furniture Stores, Spokane, for Curtis Mathes TV-stereo combos. Store promises to exchange new color chassis for b&w "when you are ready," at the specified amount.

Annual drive for repeal of excise taxes on TV-radio-phonos & appliances is in full cry. American Retail Foundation last week told House Ways & Means Committee hearing that the taxes were discriminatory and would have been repealed in 1950 but for the Korean War.

Prices of new TV portables: Sylvania Suburbanite V, with horizontal chassis (Vol. 3:11 p9), $144.95; Philco Starlite portable line (Vol. 3:11 p9), although unpriced, is understood designed to sell at $149.95 & up.

Zenith spring ad campaign in local & national print media will be budgeted at "1.6-million-plus," the company announced last week.

Trade Personals

Don G. Mitchell, who served many years as pres. & chmn. of Sylvania, will not be candidate for re-election to board of parent GT&E at annual meeting in May.

L. Berkley Davis, GE vp & Electronic Components Div. gen. mgr., and 2-time EIA pres., will receive EIA Medal of Honor at June 19 annual convention for "distinguished service contributing to the advancement of the electronics industry."

Robert F. Herr retires as Philco govt. relations vp after 46 years with company.

George A. Banino elected ITT Federal Labs pres., succeeding **Dr. William M. Duke**, elected an ITT vp & appointed U.S. Defense group exec.

Frank M. Thomas appointed Sylvania Parts Div. chief engineer, succeeding **Louis R. Warner**, recently named Receiving Tube Operation chief engineer (Vol. 3:9 p11).

Herbert Brown, pres. of Jerrold Corp.'s Technical Appliance Corp., retires; **Paul Garrson** continues as gen. mgr.

A. K. Wing Jr. elected vp of ITT's Electron Tube Div.

James C. Duffy appointed ad & sales promotion mgr., Corning Glass TV Products Div. . . . **Warden N. Hartman Jr.**, formerly Eastern Pa. Investment Co. pres., joins Philco Consumer Products Div. as special mkts. mgr., succeeding **J. A. Winfield**, resigned (Vol. 3:3 p11).

George T. Stewart elected Sony vp & consumer products gen. sales mgr.; **Irving Sagor** elected finance vp.

Bernard Artz & Larry Solow re-elected pres. & first vp respectively of Marta Cooperative Inc. Other elections: **Sy Golden**, 2nd vp; **Alvin Pearlman**, 3rd vp; **Harry Creppa**, treas.; **Joseph Angraldi**, secy.

Walter A. Clements, Littelfuse vp for distributor sales & ad mgr., elected pres. of Assn. of Electronic Parts & Equipment Mfrs. Other elections: first vp, **Norm Triplett**, Triplett Electrical Instrument Co.; 2nd vp, **Jay Greengard**, Weldon Electronics; treas., **J. Wayne Gargile**, United Catalog Publishers, re-elected; exec. secy., **Kenneth C. Prince**, re-elected.

Donald J. Jones appointed Centralab mktg. vp, succeeding **V. A. Kamin**, resigned . . . **E. T. Pastorino** elected Reeves Instrument exec. vp.

Obituary

Maude Cameron Sandwick, wife of EIA consumer products staff dir. L. M. Sandwick, died of heart attack March 16 in Washington. Survivors include 2 sons, 2 daughters, 13 grandchildren.

———■———

GE gave its distributor managers an advance look at its new 11-in. TV set, scheduled for May introduction to dealers (Vol. 3:11 p7). GE declined to comment, or release any details of new set, but confirmed that distributor chiefs met in Louisville last week. As previously reported here, both GE & Admiral plan to introduce 11-in. sets this year—but both companies maintain silence on these plans.

Add color sets: International Electrohome Inc., U.S. subsidiary of Canadian set maker Dominion Electrohome, says it expects to show 6 color sets at July's Music Show.

Opening for marketing dir. "with proven ability for building distribution & creating productive sales programs" is advertised by Andrea Radio in *Wall Street Journal*.

Magnavox Peaks Again: Magnavox continued 1961's record-making pace with impressive 1962 sales & profit gains to new peak levels. Sales soared 43% to $202 million from 1961's $140.8 million—and 250% over 1958's $80.1 million (see financial table). Earnings climbed 41% to $12.7 million from $9 million. Since 1958's $2.4 million profit, Magnavox earnings have zoomed more than 400%.

Pres. Frank Freimann noted that 1963 opened with 20% jump in consumer product sales in January & February, forecast increased sales & earnings for total 1963. Consumer Products Div. accounted for less than 55% of total 1962 sales but more than 70% of profits. He said Magnavox's $202 million sales "would have been substantially higher if we had been able to produce enough new Astro-Sonic stereo hi-fi products to meet sales demand."

Magnavox during 1962 increased working capital by more than $6 million to $39.1 million & absorbed short-term borrowing of $6 million, retired a $6 million bank loan in January, now has as its only remaining debt a $6 million 5¼% long-term insurance company loan.

■

CBS Inc., which celebrated its 35th anniversary with record sales & earnings (Vol. 3:7 p12) also closed 1962 with total current assets of $232,912,004—up sharply from $193,058,251 a year earlier. Cash declined to $19,402,353 from $32,659,360, but notes & accounts receivable increased to $95,627,683 from $83,699,744 at 1961's close. CBS's marketable securities increased to $48,168,776 from $12,690,881. Total current liabilities at year's end amounted to $104,101,339 vs. $81,499,115 a year earlier. In annual report to stockholders, Chmn. William S. Paley & Pres. Frank Stanton forecast that "broadcasting revenues will continue to grow more rapidly than other advertising media," said "CBS looks ahead to an increased level of sales & profits in 1963."

Avco profits in fiscal 1963's first quarter, ended Feb. 28, rose some 50% from year-earlier's record $3.3 million. Sales climbed 35-40% from $83.2 million. Chmn. Kendrick R. Wilson Jr. said Crosley broadcasting stations were among Avco operations that posted sales gains. For total 1963 fiscal year, he forecast 15% gain over fiscal-1962's $414.2 million sales, said profit should gain at a "comparable" rate. Avco earned record $18.8 million in 1962 fiscal.

Reports & Comments: AB-PT, discussion, Purcell & Co., 50 Broadway, N.Y. 4 • **General Tire & Rubber**, review, Fahnstock & Co., 65 Broadway, N.Y. 6 • **AMP Inc.**, prospectus, Kidder, Peabody & Co., 17 Wall St., N.Y. 5 • **RCA**, analysis, Butcher & Sherrerd, 1500 Walnut St., Phila. 2 • **Arvin Industries**, discussion, Hornblower & Weeks, 40 Wall St., N.Y. 5 • **Avco**, analysis, Coggeshall & Hicks, 111 Broadway, N.Y. 6 • **GE**, discussion, D. H. Blair & Co., 42 Broadway, N.Y. 4.

Dividend action: Litton Industries may consider a cash dividend in 3 years, Chmn. Charles B. Thornton reported, but until then will continue to plow cash back for expansion & research. Stock dividends will be paid. A 2½% stock payout was made last December • **Ling-Temco-Vought** told stockholders in annual report that cash dividends on common stock "should not be anticipated in the near future."

Admiral Profit Sinks: Despite 8% sales rise to $201.5 million from 1961's $186.9 million, Admiral's 1962 earnings sloughed off to $2 million from $2.9 million a year ago (see financial table). The 1962 earnings are after a non-recurring charge of $493,519 resulting from losses of subsidiary Admiral Italiana, closed at 1962's end.

Sales of all Admiral consumer products increased, Chmn. Ross D. Siragusa & Pres. Vincent Barreca said. However, earnings were squeezed by "exceptionally keen competition," they said, and by "heavy costs" involved in preparing Harvard, Ill. plant for "current & future expansion in color TV." Expanded facilities now give Admiral production capacity of 100,000 color sets a year.

AB-PT Nets Record Year: Peak sales & profits were posted by AB-PT last year as gross income climbed to $379.7 million from 1961's $363.1 million, and net operating profit rose to $10.8 million from $9.9 million (see financial table).

ABC Div. also scored record income & profit. Former jumped more than $20 million to $274,523,000 from 1961's $254,280,000. Pres. Leonard H. Goldenson also reported that ABC International now has associations with 36 foreign TV stations in 19 countries.

■

New plants & expansions: Avco has purchased from Raytheon the $5 million semiconductor plant at Lowell, Mass. which latter bought from CBS Electronics in early 1961. Raytheon ceased semiconductor production at Lowell late last year (Vol. 2:47 p9). Avco will use plant for space activities • **Littelfuse** will build $1.7 million 125,000-sq. ft. administration & manufacturing plant at Des Plaines, Ill. New facility is expected to be ready for occupancy in November • **Ling-Temco-Vought's University Loudspeakers Div.** will move this year from White Plains, N.Y. hq to new $1 million plant in Oklahoma City • **Omscolite**, manufacturer & importer of Japanese radios & tape recorders, has acquired from Philadelphia Industrial Development Corp., under an installment sale agreement, a 22,000-sq.ft. office & assembly plant in Philadelphia.

TraVler Industries, which experienced a 59.1% profit drop on a 32.7% sales decline in fiscal-1963's 3rd quarter, ended Jan. 31 (Vol. 3:11 p12), anticipates marked improvement in sales & profits during balance of 1963. Pres. Joe Friedman attributed decline in profits largely to investments in color TV. TraVler's complete concentration on private label production caused drop in sales figures, he pointed out, because sales apply only when contract order is delivered. He emphasized that TraVler currently has $10 million order backlog, up sharply from about $7 million a year ago.

Dominion Electrohome anticipates 10% sales rise in 1963 from 1962's $21.2 million (Vol. 3:10 p12). Pres. C. A. Pollack told stockholders of Kitchener, Ont. home electronics firm that "a major portion" of 1962's sales jump from 1961's $16.3 million "can be attributed to substantially higher consumer demand for our stereo, hi-fi & TV sets both in Canada & the U.S."

Avnet Electronics Pres. Lester Avnet's direct holdings total 251,567 common shares, after distributing as gifts 39,405 shares, New York Stock Exchange reported. Not included in his Avnet holdings are 101,314 shares held as one of several trustees of various charitable trusts.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
AB-PT Story on p. 11	1962—year to Dec. 31	$379,741,000[2]	—	$ 10,757,000[2,3]	$2.46	—
	1961—year to Dec. 31	363,085,000	—	9,906,000[4]	2.29	—
Admiral Story on p. 11	1962—year to Dec. 31	201,505,441	$ 4,805,020	2,459,020[7]	1.01[7]	2,423,161
	1961—year to Dec. 31	186,885,235[8]	6,442,138	2,915,265	1.20	2,423,161
Allied Radio	1963—qtr. to Jan. 31	18,792,074	—	382,505	.35	1,065,098
	1962—qtr. to Jan. 31	14,859,494	—	468,849	.43	1,019,739
Decca Records	1962—year to Dec. 31	101,385,915	13,045,278	5,615,281	3.68	1,527,401
	1961—year to Dec. 31	91,141,798	10,113,007	3,964,642	3.08	1,285,701
Esquire Radio & Electronics	1962—year to Dec. 31	5,047,650	203,622	102,928	.25	417,650
	1961—year to Dec. 31	4,949,963	147,470	81,601	.20	417,650
Grass Telecasting	1962—year to Dec. 31	2,610,095	—	662,648	1.66	440,000
	1961—year to Dec. 31	2,492,554	—	582,952	1.46	400,000
Magnavox Story on p. 11	1962—year to Dec. 31	201,922,000[2]	—	12,656,000[2]	1.73	7,333,516
	1961—year to Dec. 31	140,782,000	18,176,871	9,007,000	1.26	7,150,975
Reeves Bcstg. & Development	1962—year to Dec. 31	4,719,016	—	72,451	.05	1,408,893
	1961—year to Dec. 31	4,340,240	—	15,283	.01	1,408,893
Servel	1963—year to Jan. 31[5]	—	2,498,000	2,425,000	1.18[6]	1,928,345
	1962—year to Jan. 31	—	2,391,000	2,391,000	1.15[6]	1,925,345
Sonotone	1962—year to Dec. 31	21,772,006	678,944	301,944	.23	1,224,271
	1961—year to Dec. 31	22,328,588	(190,726)	(103,726)	—	1,169,137
Standard Kollsman	1962—year to Dec. 31	89,958,321	4,334,871	2,324,816	1.04	2,245,301
	1961—year to Dec. 31	104,289,859	6,357,711	3,189,761	1.42	2,245,301
Stewart-Warner	1962—year to Dec. 31	120,557,542	16,933,145	8,278,145[2]	2.38	3,482,449
	1961—year to Dec. 31	111,676,573	14,450,461	6,867,461	1.96	3,482,449
Wometco Enterprises	1962—year to Dec. 31	18,723,132	—	1,831,254[2]	1.27	1,438,368
	1961—year to Dec. 31	15,999,469	—	1,353,255	.94[7]	1,008,857

Notes: [1] Before non-recurring charge of $493,519 (20¢ a share), representing loss on subsidiary Admiral Italiana. [2] Record. [3] Before net capital gains of $282,000. [4] Before net capital gains of $5.1 million. [5] Includes Sonotone, acquired Oct. 1962 (Vol. 2:42 p10). [6] After preferred dividends. [7] Adjusted to reflect stock dividends of 10% Jan. 1962 & 30% Dec. 1962. [8] Restated by company, to exclude accounts of Admiral Italiana closed at end of 1962.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
ITT	Q	$0.25	Apr. 15	Mar. 22
Motorola	Q	.25	Apr. 12	Mar. 29

Eitel-McCullough's first-half earnings "should be better" than the $261,576 earned a year earlier despite fact that sales will be "possibly not as high" as 1962's first-half $15.8 million volume, vp John Gilpin reported. For total 1963, however, earnings "will definitely to better" than 1962's $750,000, and sales will be "equal to or improved" from 1962's $29.6 million.

Ling-Temco-Vought seeks to exchange 2 outstanding issues of debentures totaling $56.7 million for 2 new issues comprising $23 million of 4¾% convertible subordinated debentures & $33.7 million of 5½% nonconvertible subordinated debentures, both due 1976. Lehman Bros. is managing dealer group soliciting exchange offer, which expires April 3.

Sony Corp. has registered with SEC 3 million shares of common stock to be offered publicly early in April via underwriters managed by Smith, Barney & Co. and Nomura Securities Co. Offering will be in form of 300,000 American depositary shares, each representing 10 Sony common shares.

Philco suit for refund of $984,369 in excise taxes was dismissed by U. S. District Court Judge Joseph S. Lord in Philadelphia. Philco filed suit against govt. in April 1960, claiming overpayment of taxes (between Jan. 1, 1954 & Dec. 1, 1956) on grounds that it was entitled to credit for additional expenses involved in replacing parts in products under its warranty program. Judge Lord ruled that fulfilling such warranties does not constitute an adjustment of the original cost to a manufacturer.

Telex Inc., Minneapolis manufacturer of phonos, tape recorders & electronic components, anticipates earnings of more than $1.4 million in its 1963 fiscal year ending March 31, compared with year-ago loss of $1.5 million. Chmn.-Pres. M. E. Morrow said current quarter will be best final quarter in Telex history, estimated total sales for fiscal year $35 million vs. fiscal-1962's $30.4 million.

Automatic Radio Mfg. is "hopeful" that sales & earnings in its 1963-fiscal first half, ending Mar. 31, will be "very pleasing" & up from $477,600 earned on $7.3 million sales a year earlier, Pres. David Housman told annual meeting. For total fiscal year, he anticipates "satisfactory" sales & earnings. In fiscal 1962, Automatic earned $869,900 on $16.5 million sales.

Dividend action: Metromedia increased quarterly dividend to 10¢ a common share, payable May 1 to stock of record April 12. New 40¢ annual rate compares with 1962's 30¢ payout.

WEEKLY **Television Digest**

with

Consumer Electronics . . . (starting on page 7)

APRIL 1, 1963 NEW SERIES VOL. 3, No. 13

NAB LIBRARY

APR 1 1963

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

LIFE WITH COLLINS—THE PORTENTS include shifting public focus from govt. to NAB, improving ratings, creation of Program Dept., missionary work in Congress & Administration (p. 1).

FCC'S CONVENTION GOODIES—actions to limit commercials and impose license fees, close vote on former reflecting addition of Cox. Fees lower than original proposal (p. 2).

VHF DROP-INS NOT DEAD. Chmn. Minow, who sought compromise, believed still interested in workable formula (p. 2).

TRAVAILS OF NIELSEN: Many weaknesses in $7 million-a-year operation revealed at Washington hearings; more troubles ahead with Nielsen back on stand this week. Legislators talk strongly of regulation (p. 4).

N.Y. WARY IN RATINGS—networks, agencies & advertisers jump to no radical conclusions but they're beginning to visualize changes stemming from Washington hearings (p. 5).

COX, ON 'LOCAL LIVE,' tells FCBA non-local programs may be useful for local problems—but that local originations are needed ultimately. Sheridan takes over as Broadcast Bureau chief, leaving Minow's office (p. 5).

UHF STUDIES & AIDS: New FCC report on N.Y. project agrees with earlier reports. Commission eases technical requirements on remote control, video-audio ratio, DAs, etc. Ch. 37 radio astronomy proposal issued (p. 5).

PORTABLE TV RECORDERS shown by 3 manufacturers: Precision Instrument machine uses 1-in. tape; Sony device sells for $10,900. New electronic scan seen leading to home recorders (p. 6).

Consumer Electronics

TRANSISTORIZED UHF TUNER, now in pilot run by GE, is miniaturized, uses silicon transistor, is claimed to be superior to conventional types at same price (p. 7).

WHAT'S HAPPENING TO RADIO? Distributor sales plummet 15% below 1962 in first 11 weeks of year, while TV rises 4%; Jan. phono sales up 44% (p. 7). Official EIA Jan. figures (p. 10).

25-IN. COLOR BULBS still 18-24 months away, says Corning after delivery of 'early developmental samples.' Japanese manufacturers offer color tubes here (p. 8).

'ALL-AMERICAN' SETS disappearing as Dutch, Japanese, Danish & British components become commonplace in TVs, radios & phonos. Last major holdout, Zenith considers Japanese parts for miniature radios (p. 8).

VIEW FROM SUMMIT, as seen by Zenith's Truesdell: Outlook good, business far ahead of last year, retail sales 'losing some steam' (p. 10).

LIFE WITH COLLINS—THE PORTENTS: NAB Pres. LeRoy Collins won vote of confidence from NAB board in Jan., when it gave him new 3-year contract. Board believes Collins is right for the job. Now, NAB members meeting in Chicago convention this week, will again assess him themselves. For future, here's what you may expect, as summarized by those who know him best:

Collins will emphasize, more than ever, need for broadcasters to become "masters of their own house." He'll continue trying to get public to shift gaze from govt. and look to industry for self-regulation. "Don't be so preoccupied with your private interests," he says, "that you leave the public interest to the govt."

A skeptic about program ratings from the day he took office, he'll again stress that NAB is vehicle for restoring confidence in this area—after the bludgeoning dealt by Harris Subcommittee—through his carefully nurtured research projects.

A new NAB Program Dept. will be created, as authorized by board. Collins considers it astonishing that NAB offers only minor help to broadcasters in basic job—producing their product.

Collins intends to fight "increasing tendency of FCC to take broad actions affecting the whole industry, when sanctions are indicated for only a few."

"Advertiser pressures" continue to bother Collins, and he seeks means for reducing them.

Collins commands remarkable degree of respect & confidence of Congress & Administration—and broadcasters are convinced his leadership will eventually crack ban on broadcasts in House, ease restraints on political broadcasts, stave off harsh legislation in many areas.

FCC'S CONVENTION GOODIES—COMMERCIALS & FEES: Obviously designed to give NAB conventioneers something to talk about, FCC punched out 2 hot ones: (1) Started a proceeding looking toward clamping ceiling on commercial time. (2) Voted license fees in a next-to-final action (instructions to staff).

Vote on commercial strictures, not made public, was 4-3, we learned: Minow, Cox, Henry & Lee vs. Hyde, Bartley & Ford. It's first fruit of Cox's replacement of Craven, who was dead set against such action. License-fee vote was 5-0 or 5-2, depending on how you read it—because Bartley & Ford abstained.

Lee was the man who pushed commercial-ceiling originally, proposing that FCC simply adopt NAB Codes as part of its regular rules, thus giving them teeth. Lee is to debate the subject at NAB convention, opposed by Code Board Chmn. William Pabst, KTVU San Francisco-Oakland. Clearly, one reason FCC acted right now was to give Lee support as he enters ring.

Text of FCC's proposal won't be out for couple of weeks, but it's understood discussion will include such things as: (1) Many stations don't belong to NAB Codes, and some operators who belong aren't meticulous about following them. (2) Excessive commercialization is one of largest areas of complaints received.

Commission said it isn't limiting consideration to NAB Codes. It said it wants all kinds of alternatives, maybe special provisions for stations which, "because of their location in sparsely populated areas or other factors, might not be able to observe the limitations contained in the NAB Codes and at the same time maintain operation in the public interest."

NAB Pres. Collins is already strongly on record as opposing FCC enforcement of Codes—so he now has delightful opening. Said he: "We have seen this coming for some time, and as I have made clear before, the NAB will oppose this proposal with its maximum capacity and calls for the support of all broadcasters."

FCC had already irked industry substantially with its inquiry on loud commercials. Comments filed last week, by such experienced organizations as ABC, CBS, NAB & Storer, stressed that "loudness" is largely subjective & psychological, not subject to simple control by instruments and FCC rules. They point out that complaints are few, and some maintain that FCC intervention may be infringement of freedom of speech.

License-fee vote included substantial reduction from original proposals for broadcasters. For major TV applications, it was cut from $250 to $100; for AM & FM, from $150 to $50. There were minor changes in non-broadcast field. If finalized as expected, rules will go into effect next Jan. 1. FCC is believed to be first regulatory agency to vote fees—other than those required to do so by specific laws directed at them, such as SEC. Congress long ago told FCC & similar agencies to work toward charging fees, but Congress itself has been shy about pushing the matter.

And people were saying NAB conventions are getting dull.

VHF DROP-INS NOT DEAD: Don't write off short-spaced vhf drop-ins. Though FCC voted 4-3 recently (Vol. 3:10 p2), instructing staff to write final decision rejecting drop-ins, we've learned there's something more than remote possibility of reversal.

Comr. Ford, particularly, remains hot for drop-ins. New Comr. Cox is of similar bent. Cox replaced Craven, who also voted for drop-ins, so prospective vote doesn't change in that switch.

But key man seems to be Chmn. Minow. In discussion preceding last 4-3 vote, Minow advanced compromise: Insert drop-ins; require grantees to operate both vhf & uhf for specified period, such as 3 or 6 years, then make them drop vhf. His colleagues didn't quite buy that. But word around FCC is that Minow would still welcome a workable compromise. He has 2 goals: short-term & long-term. First is to improve network competition, giving ABC outlets in substantial markets; second is to bolster uhf for widespread future growth.

There are 7 markets involved now: Johnstown, Baton Rouge, Dayton, Jacksonville, Birmingham, Knoxville, Charlotte. But some pro-drop-in forces at FCC wouldn't stop there. Some would go for squeezing 3rd

vhf into more markets in top 100—reducing spacings below recently contemplated minima of 120 miles co-channel, 40 miles adjacent-channel. Here are some of markets mentioned, though chance of action on these is undoubtedly much slimmer: Toledo, Hartford-New Haven, Lansing-Jackson-Parma-Onondaga, Saginaw-Bay City-Flint, Terre Haute, Jackson, Miss., Raleigh-Durham, Wheeling-Steubenville, Quincy-Hannibal, Greenville-Washington, N. C.

TRAVAILS OF NIELSEN (CONT'D): Nielsen's $7-million-yearly program rating operation took brutal pounding again last week, as House rating hearings went through 4th week—this one devoted entirely to the big Chicago firm.

There's no question that Nielsen—dominant in national TV-radio ratings, with 90% of the business—is in trouble. Seriousness of trouble is yet to be determined; Nielsen witnesses again take stand today (April 1) while its field men and some advertisers may also be called. In addition, Harris Subcommittee said, it may call Chmn. A. C. Nielsen Sr. or Pres. A. C. Nielsen Jr. (both overseas)—if other witnesses aren't sufficiently familiar with statements made by Nielsen Sr. in certain unidentified court cases, etc.

Nielsen was in trouble all week—though much time was consumed with dull technical explanations which exasperated Subcommittee members. But climax came when it was revealed that Warren Cordell, vp & chief statistical officer, had discussed "vital weaknesses" of Nielsen ratings in confidential memo to Nielsen Sr. Memo said "we preferred" that govt. investigators not learn of these until they were corrected.

Subcommittee was shocked. Cordell defend memo, said it was plea to get more staff, and that he succeeded in this. He also said weaknesses discussed in memo had already been brought out in hearings: (1) Need to update national sample of 1,100-1,200 homes to conform to 1960 Census. (2) Need to increase sample size in local radio markets. (3) Difficulties in estimating transistor & auto radio listening. Subcommittee indicated that it thought memo contained additional weaknesses. It's understood Nielsen may make contents public.

Among other disclosures, in which Nielsen ultimately concurred, was that company uses "weighting" factors from national reports to adjust sets-in-use levels in local reports. Henry Rahmel, exec. vp & media research div. mgr., said such factors are not applied to audience shares for each station.

It was also charged that actual sample size couldn't be determined in Nielsen report. In March 1962 Louisville report, sample was specified as 205. Evidence showed that average sample for week in study was really 123. Rahmel said change was made recently to list actual useable sample. Rep. Moss (D-Cal.) also asserted that Nielsen's failure to reflect true sample size would be called "false labeling" in any other industry.

Subcommittee counsel Robert Richardson questioned Nielsen's claim that tuning is same as viewing or listening. He said records produced from 9 of 11 Louisville Audimeters showed some sets tuned continuously for 24 and more hours—in one case to a station off air. In another case, receiver was on for 3 days. Rahmel insisted this isn't representative.

Louisville was market picked to study all ratings firms' local services, Richardson said. Moss added: "It would appear that everyone who measures Louisville seems to have problems." "How typical are they?" he kept asking, referring to viewers surveyed.

On reliance of viewer entries in diaries, Richardson produced sample notations: "Turned TV on this morning so baby could watch it. I had too much to do today because I had to go away for a while." Also: "Set left on; no one watching." Subcommittee also maintained that Nielsen had to make some diary entries.

At end of last week's testimony, Special Investigations Subcommittee talked tough, mentioned need for regulation. If anyone is still taking subcommittee action lightly, consider: Every major research firm we have spoken to has already considered changes. ARB hopes to increase sample sizes and to learn more about human errors in diary fulfillment. Pulse seeks more control over field interviewers and more adequate labeling in reports.

Nielsen had made some changes before hearings began, and supplied Subcommittee with suggestions for industry improvement on 2nd day of testimony (Vol. 3:12 p1).

Nielsen has $40 million gross, TV-radio accounting for 18%, $7.2 million, while 2nd-place ARB bills slightly above $3 million, mostly local reports.

Complicated nature of ratings and the special language of statisticians evoked comments such as these: Chmn. Harris (D-Ark.), referring to confusing Nielsen testimony: "We'll get square roots operating with Univac and then get some answers." Rep. Younger (R-Cal.), "I've never seen anyone who sells confusion as you do and get so much money for it." Richardson: "Most people who deal with you don't know what you do." Cordell: "I'm trying desperately to tell the truth." Rahmel: "It's a highly fallible tool." Younger, referring to sets tuned in all night: "Would advertisers pay any money for people who go to sleep?" Moss: "Mud would have far more transparency."

Counsel Richardson, it's understood, is due to speak to Radio-TV Research Council in N.Y. April 3 (for N.Y. reactions to hearings, see below).

N.Y. WARY ON RATINGS: Networks, agencies & advertisers are rather guarded in discussing their reactions to Washington program-rating hearings, but it's evident they're beginning to see changes on horizon.

Agencies generally felt that ratings probe would cause some changes in their own way of TV life (less stress on ratings & cpm's to clients; more stress on "showmanship values").

Media head of large agency billing over $130 million annually asked not to be named but told us: "The hearings have pointed up need for more independent industry control of rating research rather than a need for govt. control. It's an industry problem and industry responsibility. NAB, 4A's and other broadcast groups should do something to set up an independent agency to check on rating accuracy."

Added TV-radio media chief of one of the P&G agencies: "We know most limitations of ratings and find them acceptable as yardsticks; there'll be no immediate change in our internal practices. However, there'll probably be less emphasis by TV salesmen on small differences in ratings."

Networks were playing it cozy on ratings questions, but some minor policy shifts could be seen already. Backstage memo at NBC-TV to promotion & publicity staffers warned them not to crow about future ratings successes in public, suggested they push "critical acclaim" instead. ABC-TV, whose current national Nielsens are not spectacular, almost seemed to welcome doubts on ratings validity cast by hearings. CBS-TV, which landed 9 shows in latest Nielsen national "Top 10," was still pushing this fact late last week — but its executives were also calling attention to fact that CBS measures values of public-affairs programming "in other-than-ratings terms."

New RAB Pres. Edmund C. Bunker took swipe at ratings in N.Y. during March 27 IRTS speech, pointing to "a major research firm" whose contrite apologies for errors "cannot replace millions of dollars which have been lost to our medium."

Some ratings fireworks may go off in N.Y. next week. Subcommittee's star prober, Robert Richardson, has been quietly pencilled-in for address before members of Radio-TV Research Council on April 3 at Hotel Lexington. Public, press & non-members are not invited.

Quickening pace of applications: In Boston, 4 applicants have filed to contest renewal of WHDH-TV (Ch. 5). FCC opened Ch. 5 to new contenders after holding against WHDH-TV in "influence" case. Boston applicants include: Charles River Civic TV, headed by a Cabot (Thomas D.), which plans to give profits to "broad educational & other philanthropic purposes"—probably first of its kind—and which offers to WHDH-TV up to $5 million for facilities, contracts, good will, etc.; Greater Boston TV, an original contestant with WHDH; Boston Bcstrs. Inc., headed by audio engineer Leo Beranek and ex-FCC attorney Nathan David; Hub Bcstg. Co., headed by William A. Bernat, unidentified in incomplete application. Also in Boston, United Artists filed for Ch. 44, as did Integrated Communications Systems, latter headed by Leonard Sait, ex-National Telefilm Assoc. UA also filed for Ch. 23, Houston, and Ch. 65, Cleveland, while KTVB Boise seeks Ch. 13, LaGrande, Ore. as satellite. In Cleveland, Ch. 19 is sought by Community Telecasters, headed by attorney Charles W. Steadman. (For full details of foregoing and other FCC TV activity, see *TV Addenda 33-H*, herewith, to full-service subscribers. For details of AM & FM activity at FCC, see weekly *AM-FM Addenda*.)

Our son, Lee, the fun-slinger: FCC Comr. Lee, Commission's clown prince, has been in rare form. In recent FCC meetings, we hear: (1) He asked fellow Chicagoan Chmn. Newton Minow, rumored resigning, about plans for travel to NAB convention, "Hey, Newt, getting a round-trip ticket?" (2) Comr. Hyde, discussing broadcasting traffic-court proceedings, said, "If one of my colleagues were arrested for drunken driving, that would be news." Lee: "Only if it's Hyde." Hyde is Mormon, notorious teetotaler.

Two-party harmony: In rare, if not unique, statements, GOP Sens. Scott (Pa.) & Cotton (N.H.) praised Democrat Chmn. Magnuson (Wash.) of Commerce Committee for saving money. At end of 87th Congress, Magnuson turned back $65,000 of funds allocated to his Committee: Said Cotton: "He has always leaned over backwards, sometimes I thought he leaned over too far backwards—not to spend money unnecessarily." Scott: "I have never served on a Committee where the chairman was more careful with the public funds."

KHAS-TV Hastings-Kearney, Neb. names Venard, Torbet & McConnell rep. WMAL-TV Washington appointed Harrington, Righter & Parsons.

COX, ON 'LOCAL LIVE': About 4 hours after taking oath as FCC commissioner March 26, Kenneth A. Cox told Washington lawyers that a station's "attention to local live programming is essential." No pussy-footer he—picking one of most controversial issues on hand.

He told Federal Communications Bar Assn. luncheon in his honor that since 1950 there have been 2 basic FCC policies on matter: (1) Schedule of priorities in TV allocations was to facilitate creation of local stations with at least one TV signal for as many people as possible. (2) Program policy statement of July 1960 that programming is essence of local TV service.

If the FCC thought otherwise on local issue, it would have made allocations job easier, Comr. Cox said. Commission could have simply established "wide coverage stations," he appended.

He pointed to recent study that showed 448 affiliated TV stations carried local live programming average of 8.9% of time they were on air; 50 stations of these aired local live more than 15% of time.

He defended FCC program inquiries at local level, although he noted that some stations seem "sensitive" about them. Chicago hearings were "very useful," he said, adding they turned up important issues regarding local religious & entertainment programming, plus questions of local autonomy at the 3 network-owned stations.

Omaha hearings—where "people are somewhat more sensitive than in Chicago"—are still being studied by FCC and report will be issued soon, he stated.

Revision of FCC program form is essential, Comr. Cox asserted. Failure of present form to show information adequately, he stated, led to deferrment of 70 TV license renewals because of paucity of local live shows 6-11 p.m. (Vol. 3:11 p3).

He conceded that non-local programming may be applicable to local problems, but that ultimately there is need for "locally-originated discussions."

* * * *

Cox was sworn in by Supreme Court Justice Douglas, who had administered oath to Chmn. Minow. Justice Douglas cracked: "About 2 years ago, I was in this room, swearing in Chmn. Minow. Heavens knows when I'll be back."

As Cox moved up, James B. Sheridan was formally appointed to succeed Cox as chief of Broadcast Bureau, as we first disclosed in Jan. (Vol. 3:3 p2). Economist Sheridan shifts from special asst. to Chmn. Minow, who said: "Mr. Sheridan enjoys the confidence of all of the commissioners and is one of our most highly regarded career employes. We welcome him to this new position of responsibility which we are confident he will discharge with ability & distinction." Joke around Commission is that only one of 4 bureau chiefs is an attorney. He turns out to be George Turner, chief of Field Engineering Bureau, who holds both engineering & law degrees.

———■———

ABC-TV network & Doyle Dane Bernbach "have mutually agreed to terminate their relationship" April 30, according to joint announcement. Network has not yet decided on a new ad agency.

UHF Studies & Aids: Third technical report on FCC's N.Y. uhf project was released last week, also was delivered as paper by Commission's George V. Waldo at IEEE convention in N.Y.

Report covers measurements with portable receivers & antennas at some 4,000 locations within 25 miles of transmitter. Net conclusion is as with preceding Deitz study of fixed installations within 25 miles: With outdoor antennas, uhf is about as good as vhf; with indoor, it's somewhat less effective.

Last week, also, Commission finalized several technical changes to ease costs of uhf stations—particularly small outlets. FCC will now permit: (1) Remote-control transmitter operation. (2) A 10-1 visual-aural power ratio. (3) Operation without reduction of lower sideband radiation, for transmitters of 1 kw or less. (4) Unrestricted DAs for under-1-kw transmitters, DAs up to maximum-minimum of 15 db for over-1-kw transmitters. (Vhf continues with 10-db limit.)

Knotty Ch. 37 problem, involving band sought by radio astronomy, was tackled by FCC with following proposed rule, comments due May 1: (1) No Ch. 37 stations allowed within 600 miles of Danville, Ill. (U. of Ill.) until Jan. 1, 1968. (2) Make no Ch. 37 grants in U.S. until this rule-making is concluded. (3) Allow no Ch. 37 station operation midnight-7 a.m.

———■———

CBS Inc. officers' 1962 remuneration (including salary & additional compensation) and stock ownership, as listed in proxy statement to shareholders: Chmn. William S. Paley, $188,750 plus $11,250 deferred compensation (owns 944,877 shares); Pres. Frank Stanton, $188,750 plus $11,250 deferred (166,386 shares); CBS-TV Network Pres. James T. Aubrey Jr., $160,000 (10 shares); CBS TV Stations Pres. Merle S. Jones, $125,000 plus $25,000 deferred (2,690 shares); CBS Radio Pres. Arthur Hull Hayes, $85,000 plus $10,000 deferred (7,208 shares); CBS News Pres. Richard S. Salant, $82,500 plus $7,500 deferred (119 shares); Columbia Records Pres. Goddard Lieberson, $72,500 plus $37,500 deferred (9,135 shares).

Change in emergency broadcast system from use of 640 & 1240 kc to normal frequency assignments has been recommended to FCC. Standard stations presently holding national defense emergency authorization would operate on normal frequency with normal power without station identifications, according to interim report by National Industry Advisory Committee Working Group. Stations would carry common program for their community or area. All other AMs would leave air. Programming priorities same as present: Presidential messages, local programming, state & regional programming, national programming & news. FM & TV stations would also be added as soon as Dept. of Defense restriction requirements—silencing stations for reasons other than denial of navigational aid—are sent to FCC.

Magazines were criticized last week for letting "television dictate the terms of battle in their race for circulation at any cost" and for "their concern to keep the advertiser smiling even if some readers frown." Theodore Peterson, dean of College of Journalism & Communication, U. of Ill., told Magazine Publishers Assn. in Washington that biggest TV threat in next decade will come from space satellite broadcasting & color.

Personals

John T. Murphy, former exec. vp, elected pres. of Crosley Bcstg. Corp. and member of board & exec. committee, succeeding late **Robert E. Dunville.**

Fred Silverman, ex-WPIX N.Y. & WGN-TV Chicago, named CBS-TV dir. of daytime programs.

Jay Smolin rejoins NBC as WNBC-TV N.Y. advertising & promotion mgr.

William R. McAndrew, NBC News exec. vp. receives on April 2 VFW's Commander-in-Chief's Gold Medal Award and Citation for "outstanding accomplishments in the field of news and informational programming."

Jerome Lansner, ex-NBC commercial & program editor, and **Miss An-Shih Cheng**, ex-National Better Business Bureau staff, named senior editors, NAB Code Authority, N.Y. Miss Cheng replaces **Maria Michal.**

Jerry Liddiard, one-time Guild Film sales mgr., named Embassy Pictures' west coast TV sales mgr. . . . **Larry Pickard**, ex-WBZ-TV Boston news & special events dir., forms PR firm, Pickard Assoc., One State St., Boston.

LeRoy (Red) Rizor promoted to Metro Radio Sales St. Louis mgr.

■

NBC's foreign TV busines was 61% greater than 1961 last year, and 1963's sales are at higher rate, NBC International announced last week after N.Y. & Hollywood meetings of its field staff representatives. NBI now supplies TV programming to 110 stations in 60 countries, and has financial or management commitments with stations or networks in 15 areas of globe. One of latest is in Jamaica, where stations will be managed by consortium consisting of NBC International, TV International Enterprises & Thomson TV. Jamaica plans to have 3 transmitters in operation by Aug. 6, its Independence Day. Representing NBI as consultant in Jamaica will be Harold (Hap) Anderson, former pres. of WCIV (TV) Charleston, S.C. Jamaica has adopted modified NTSC standards using 625 lines, similar to TV system used by Venezuela.

Discontinuance of FM simplexing is proposed by FCC, with comments due by June 14. Commission notes that only 4 stations are using main channel with superaudible "beeps" for transmission of background music to subscribers. In contrast, multiplex operations using subcarrier frequencies not receivable on conventional FM sets have grown, FCC observes, to more than 300.

Subscribers to Macfadden Teleglobe Pay-TV experiment in Denver won't have to pay line charges as originally planned, according to Pres. Gerald Bartell. Based on "enthusiastic response"—charter subscribers number more than 300—company is dropping line charges of 75¢ a week or $3.25 a month for subscribers who watch programs costing 75¢ a week or more. Operations will begin "soon."

Two bibliographies prepared by Television Information Office—"Television and Education" and "Television: Freedom, Responsibility, Regulation"—have been distributed to TIO sponsors and to libraries.

Conrac's new color monitor is 17-in., uses imported tube, has 95 transistors, 21 tubes, takes 21-in. of rack space, weighs 83 lbs., sells for $2,450, available from stock.

WNBE-TV (Ch. 12) New Bern, N.C., due to begin operation Sept. 1, has signed as primary ABC-TV affiliate.

PORTABLE VIDEO RECORDERS: Portable TV tape recording has arrived—with 3 different makes now being offered. And a new recording technique "holds promise of video recorders comparable in complexity and price with TV receivers."

Portable TV recorders are officially called "closed-circuit" recorders because they're incompatible with tapes made on big 4-head recorders used by TV stations. But their manufacturers indicate they're adaptable to broadcast use—if you don't mind the incompatibility.

Two portable recorders were shown at IEEE show last week in N.Y.—and Ampex will unveil 3rd this week at NAB Chicago convention.

Small (10 x 25 x 13 in.) lightweight (68 lb.) video recorder developed by Machtronics Inc. was shown in production version by its exclusive licensee Precision Instrument, Palo Alto, Cal. Precision mktg. mgr. John Jipp told us there's backlog of orders for 100 recorders and that Precision will be exclusive manufacturer after orders are filled.

Precision's recorder uses helical scan, one-inch tape (vs. 2-in. for most video recorders) running at 7½-ips speed across 2 revolving heads, records 96 min. on 10½-in. reel. Bandwidth is 3½mc, resolution 300 lines. Completely solid-state unit uses plug-in circuit modules and is pushbutton operated. Price is $12,150.

Sony Corp. of America has Japanese-made portable unit at $10,900, promised deliveries beginning in Aug. Dimensions are 17 x 25 x 17 in., weight 145 lb. Tape speed is 5¾-ips on 2-in. tape, or 63 min. on 7-in. reel. Unit features single-frame stop motion and slow-motion playback at 1/60 normal speed. Scan is helical, with one video head and one sync head. Horizontal resolution is 250 lines.

Experimental development of electron-beam scanning device to substitute for mechanical revolving heads in tape recorders was seen by Armour Research Foundation's Marvin Camras as forerunner of low-cost portable video recorders, in paper presented at IEEE session. Describing his work on recording & playback tubes, he said electronic system now "seems quite feasible—it can go."

Among advantages of electron scanning system, as enumerated by Camras: (1) Regular audio tape could be used; super-high-quality tape wouldn't be required. (2) Half-inch tape at 7½ ips could provide broadcast quality. (3) Equivalent of 8-mm could be obtained from ⅛-in. tape. (4) System priced low enough for home use could eventually result.

■

FCC panel discussion at NAB convention changes this year to eliminate written questions, will consider only questions from floor. No big deal behind it. FCC members and NAB topkicks, in discussion of program last week, agreed delegates might get more from floor-platform give & take than from pre-screened questions.

Special market audience analysis for each TV station is being made available by ARB at NAB convention. Reports are based on last Nov.'s nationwide survey "sweep". They provide station-by-station averages of ratings, area homes, total homes & outer area shares for 2 time blocks: 12-6 p.m., Mon.-Fri.; 6-10 p.m., Sun.-Sat.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

TRANSISTORIZED UHF TUNER FOR GE SETS: Intensified uhf tuner development programs which were started after passage of all-channel law are beginning to bear fruit already. One of first really new uhf tuners to be seen on TV sets in the marketplace probably will be tiny GE-built unit using one transistor & one subminiature tube.

Tuner was made possible by rapidly declining prices of silicon transistors—a situation which is beginning to excite consumer electronics engineers. Necessity for tiny tuner in GE's line is obvious: its 16-in. lightweight set has no room for full-sized tuner; its upcoming 11-in. obviously will provide even tighter space challenge. Nevertheless, it wouldn't be surprising to see transistor tuner spread eventually to larger models.

Compact tuner is competitive in cost to full-size uhf tuners GE now buys, GE engineers reported in technical paper at IEEE convention in N.Y. last week—and they claimed it performs better. Pilot production line was set up 3 weeks ago, they said.

Tuner uses 918-type silicon transistor, "which is priced competitively with tubes, and 1N82A tube mixer. It is capacitance tuned, measures 1 x 1¾ x 2¼ in., nearly 7 times smaller (in volume) than conventional tuner it replaces. According to GE engineers, its noise level varies from 9 db at low end to 12 at high end —"3 db better than our present tuner"—and its gain ranges from loss of 7 at low end to plus-11 at high, termed "an improvement of several db." Oscillator radiation varies from 150 to 300 uv/m, well under FCC limits.

Introduction of new tuner will mark one of first intrusions of transistor circuitry into conventional AC-operated TV sets. That TV engineers are interested in transistorization is indicated by advance program of June 17-18 IEEE Chicago Spring Conference on Broadcast & TV Receivers, which will devote at least one half-day session to transistor applications in TV—including intriguing RCA paper entitled "A 19-in. 114-degree line-operated all-transistor TV receiver." Same conference will feature halfday session on uhf tuner design.

Note: Just as GE is now planning to produce its own tuners, it eventually will make its own record changers. Company has agreed to purchase all record-changer dies, patents, etc. from Glaser-Steers Div. of Ametek Inc., eventually (within about 2 years) will set up changer plant in connection with Decatur, Ill. facilities of its audio products dept. It's understood company has assured present suppliers (V-M & Garrard) that it will continue current purchasing arrangements at least through July 1963.

WHAT'S HAPPENING TO RADIO SALES? In face of continued good TV sales and near-sensational phono pace this year, Topic A among industry marketing experts is the sudden drop in radio sales.

In first 11 weeks of 1963, distributor-to-dealer sales of domestic radios were 15% below 1962's comparable figure. Unofficial estimates placed Jan.-Feb. dealer purchases of radios at 1,108,000 vs. 1,261,000 in Jan.-Feb. 1962, a dip of about 12% for the 2 months. Picture has been even gloomier in first 2 weeks of March.

Radio inventories at manufacturer & distributor levels dropped, too—by about 7% as of beginning of March, from 12 months earlier. This is "not too bad—but not too good, either," in words of one manufacturer. It's not too bad if sales are going to pick up, but not too good if market continues to decline.

Exact reasons for drop are difficult to ascertain. One theory is that U.S. public has been on radio-buying binge, stimulated by ever-declining prices, and is now suffering from temporary glut. Another is that dealers have stopped buying in anticipation of momentary further price cuts. It's just about year since transistor radio price war became intense. Certainly, scare psychology is abroad now, and there's plenty of worry in industry about possibility of renewed shooting in this price war.

Black-&-white TV, meanwhile, is more than holding its own with last year's sales figures—distributor

sales for first 11 weeks being nearly 4% higher than last year. For first 2 months of this year, however, TV sales were more than 5% ahead of 1962—about 1.04 million units vs. 987,000.

Phono sales continued blockbusting pace set in last half of 1962, and distributor-to-dealer sales for Jan. (latest figures available) were 44% higher than in Jan. 1962. (For official EIA Jan. TV-radio-phono sales & production figures, see p. 10.)

25-IN. COLOR BULBS 18-24 MONTHS OFF: Picture tube manufacturers have received first "early developmental samples" of bulbs in Corning's program to devise glass for 19- & 25-in. rectangular color tubes with 90-degree deflection. "It will be 18 months to 2 years before we could produce such a bulb in quantity," we were told last week by Corning TV bulb dept. sales mgr., William H. Hudson. And it could take even longer for industry to develop tube from the glass.

"This isn't even 'sampling' in the traditional sense," said Hudson. "This is the first approach to what we think is the final design—the first step in an evolutionary process. The final bulb undoubtedly will have different dimensions from these first mechanical samples, just as these bulbs differ from our original mechanical drawings."

Samples were in 25-in. size—one funnel and several panels to each tube maker. There'll be no sampling of 19-in. bulbs for some time, since that size will be merely scaled-down version of 25-in., and presumably tube makers' proposals for changes in 25-in. will also be adapted to 19-in. design.

This doesn't mean there won't be changes in color tube shapes & sizes before 1965. RCA's postponed 90-degree 21-in. round color tube now is expected to be available by early next year (Vol. 3:10 p7). Motorola & National Video are still working on 23-in. rectangular 90-degree tube, using black-&-white bulbs (re-formed to color's more exacting tolerances by Dearborn Glass), and this tube could go into limited quantity production this summer.

There's also an outside chance some color tubes may come from across Pacific. Tokyo Shibaura (Toshiba) demonstrated compact color consolette with its new 16-in. rectangular 70-degree 3-gun shadow-mask tube at last week's IEEE show in N.Y., and company spokesmen indicated they're eager to sell tube to U.S. set manufacturers. Production & exports will begin later this year, they said, and they added set makers are "interested." (Japanese also are producing 21-in. round color-bulbs.) No prices were quoted, nor have arrangements been made for export of complete color set.

Imports of color tubes may well get some serious consideration by U.S. set makers if it appears Japanese manufacturers really can deliver—and if tight situation in domestic color tubes continues. RCA color tubes are on strict allocation, with "new customers" being held to as few as 7,500 for year. And we know of several old customers who'd like to get more than they've been promised. However, it's unlikely the Japanese can deliver color tubes in significant quantities this year.

Although Rauland, Sylvania & National Video are all going into color tube production later this year, it's not believed that their 1963 output will ease situation considerably—unless set makers' predictions of consumer demand for color are way off.

Note: Another color tube modification may be coming up soon. Pittsburgh Plate Glass has developed version of its lighter-weight & lower-cost 1/8-in. Teleglas safety shield for laminating to color tubes in place of current 3/16-in. type. PPG, incidentally, expects 1963 to be its best year in laminated safety glass sales, in estimating that 2 million picture tubes will use PPG process this year, with 21-in. color & 19-in. b&w its most popular types.

'ALL-AMERICAN' SETS DISAPPEARING: Like it or not, sun seems to be setting on day of the "all-American-made" TV, radio or phono.

It's now commonplace to find Japanese & Dutch receiving tubes in U.S.-made TVs & radios, Danish tuners in FM sets, British changers in stereo phonos. Facts of economic & political life of the '60s dictate that suppliers, as well as customers, are to be found on either side of either ocean.

Importing of complete TV chassis or sets by American set makers may shape up as trend, if economic

advantages can be proven. High quality transistor radios & tape recorders from Japan have helped overcome some public prejudice against Japanese electronic equipment.

Recent report that Westinghouse is considering importing 6-in. Mitsubishi transistor TV (Vol. 3:9 p7) is significant. Currently, only 2 U.S. set makers—Olympic & Symphonic—are importing Japanese models as well as making own sets here.

In Aug. 1961 we reported Japanese TV manufacturers were combing U.S. for chassis business (Vol. 17:32 p18). In a sounding of industry opinion at that time, we found only Olympic & Symphonic even mildly interested. Now, nearly 2 years later, Japanese manufacturers are renewing efforts to win U.S. set makers as customers for complete sets or chassis—and some are building own trade names on U.S. market.

Transistor radio market is most "international" of all. Complete Japanese- & German-made radios are being imported & sold here by some leading U.S. set makers. But most U.S.-made transistor radios—particularly highly competitive miniatures—are keeping in the price race at least partly due to use of some Japanese parts (particularly tuning capacitors & speakers) along with U.S.-made components.

All major holdouts against part-importing—save one—have now given in and are using some foreign parts in small transistor radios. Sole exception is Zenith, which may now be on brink of switching to Japanese components in some of its miniature radios. "We're looking at it now," we were told by Zenith Sales Corp. Pres. Leonard C. Truesdell. Use of all-American components in low-priced pocket radios "hurts the profit picture terribly," he said. "If we do import parts, we'll use them in nothing except miniature sets, and we'll use only 2 or 3 parts which meet our quality standards."

TV-RADIO PRODUCTION: EIA statistics for week ended March 22 (12th week of 1963):

	March 16-22	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
TV	149,775	134,464	129,899	1,608,207	1,553,551
Total radio	300,182	315,997	361,343	3,760,761	4,291,018
auto radio	121,933	140,536	131,132	1,723,176	1,504,968

"Dear Dave" letter from color TV fan was reproduced by RCA as full-page ad in trade journals last week. It was from Dr. Allen B. DuMont, addressed to RCA Chmn. David Sarnoff. It read: "About a month ago I purchased an RCA Mark 8 color television receiver. The picture quality of this set is far superior to what I expected. With many programs the color fidelity seems to compare very favorably with the best motion pictures from Hollywood as projected on motion picture screens. The 'Bell Telephone Hour' and Disney programs seemed particularly good. It is quite a let-down to see black-and-white programs afterward. Despite what may have seemed to be quite a cautious attitude toward color by me some years ago, certainly the RCA receivers and transmissions of today are technical achievements of the highest order. You are to be congratulated for persisting in color television development almost single-handed. Color should greatly increase television's importance to the public."

Emerson's brisk TV sales this year have made it necessary to increase production more than 50% higher than last year's rate, according to Emerson Div. sales dir. Leo W. Hahn. As demand for 16-in. sets continues to rise, he told distributors, company has doubled production but continues to work against back orders. "All-channel sets," he added, "are selling at a much faster pace than we anticipated," and now account for 25% of Emerson's total TV business. He said TV-phono combos were completely sold out, and Emerson has introduced 2 new models originally intended for June line. He predicted company's 1963 TV business would be 25% higher than 1962.

Three new 16-in. sets, by Admiral & Emerson, highlight last week's introductions. Admiral premiered 15 TVs, 2 stereos & new transistor radio line. Admiral's entry into 16-in. market includes first remote-control model ($159.95) and standard 16-in. set ($129.95). New 19-in. portables in 2 series (17,000 & 20,000 volts) are priced at $139.95, $149.95 & $159.95, top model in each series carrying open list. Four new 23-in. consoles & 2 color lowboys have open list. Also added were 2 stereo portables at $69.95 & $79.95. Radio line retains 6-transistor pocket leader at $14.95 (with earphone & battery); among the 12 radios are 6 which can operate on house current or rechargeable batteries through use of AC Charger Plug ($5.95). Among other Admiral radio items: 8-transistor miniature with 3-gang tuning ($29.95); 10-transistor AM-FM sets at $49.95 & $59.95. Emerson introduced 5 TVs, including 16-in. with sleep-switch & personal listening jack ($139.95), two 19-in. all-channel portables (open list); 2 TV-stereo combos with FM stereo ($379.95 & open). New Emerson table radios are $19.95 & $24.95.

"Two-in-one" closed-circuit TV camera was unveiled at IEEE show in N.Y. last week by Sylvania. With 800-line resolution, it is claimed to be able to perform virtually any function of a studio camera. Completely transistorized unit features removable vidicon unit which functions as "slave" camera. Slave or complete unit can be operated remotely from up to 1,000 ft. by means of detachable rear control panel. Price is $2,875. Other new CCTV cameras were shown by Dage, Sony & Nippon Electric.

Trade Personals

Delbert L. (Debs) Mills elected vice chmn., Raymond W. Saxon pres., RCA Sales Corp. Mills, who is also RCA vp-gen. mgr. in charge of Home Instruments Div., formerly was Sales Corp. operating vp; Saxon was marketing vp. W. Walter (Wally) Watts continues as RCA Sales Corp. chmn., relinquishing post of pres.; Saxon's position is new one.

Robert H. Platt, GE Credit Corp. treas. & finance mgr., joins Magnavox April 1 as finance vp, succeeding John Sturgeon, retired.

Earl I. Anderson appointed RCA Home Instruments Div. operations mgr., succeeded as chief engineer by Loren R. Kirkwood.

John G. Clarke, ex-Forest Products Div., named a vp of Owens-Illinois' Consumer & Technical Products Div. (which includes former Kimble Glass Co.) and mgr. of product development & marketing for TV bulbs and other glass for electronics industry; he succeeds G. Pryor Molloy, who has been named vp-gen. factories mgr. of Cristaleria Peldar S.A., Medellin, Colombia; Clarke reports to John P. Kearney, vp-gen. mgr., industrial & electronics products.

Arnold R. Forbes appointed GE TV receiver dept. product planning & mkt. research mgr., succeeding John S. Chamberlin, recently named radio receiver dept. mktg. mgr.

Charles E. Wolf, ex-Warwick Mfg., joins Symphonic Electronic as operations dir.

Dean Phillips, ex-Motorola, returns to Packard Bell as radio sales mgr., a new post.

Dr. Elmer W. Engstrom, RCA pres., will address opening day luncheon, April 22, of Society of Motion Picture & TV Engineers' 93rd convention, Atlantic City, N.J.

Richard A. O'Connor, retired (Jan. 1963) Magnavox chmn., receives U.S. Navy's highest civilian citation, The Distinguished Public Service Award, for outstanding contributions & "personally directed efforts which led to the solution of diverse & numerous technical problems."

Robert T. Reid named Pacific Semiconductors gen. sales mgr., a new post, succeeded by Arthur M. Liebschutz as northeast regional sales mgr.

David Scott-Atkinson named Clairtone Sound planning & development dir.

Nicholas A. Di Orio appointed RCA electrical & raw materials purchases dir., a new post, with staff purchasing responsibility for all commercial divisions, except Home Instrument and Tube Divs.

Francis I. Sullivan appointed counsel for Sylvania's Semiconductor, Electronic Systems and Lighting Divs. . . . Lawrence P. Riddle appointed a Sylvania PR project mgr., with responsibility for corporate projects & press contacts in N.Y. area.

Herbert A. Finke appointed National Co. pres., chief exec. officer & a dir., succeeding Joseph H. Quick, retired.

Paul Bosted named International Rectifier director general of European operations.

Cornelius W. Owens appointed AT&T personnel vp, succeeding Sanford B. Cousins, who retires in May.

View from the Summit: Zenith Sales Corp. Pres. Leonard C. Truesdell finds business continuing to run ahead of last year on week-by-week basis, with outlook still excellent.

He warned, however, that on industry-wide basis, "retail sales around the country are beginning to lose some steam," but added that this may be little more than normal seasonal decline. Although TV & stereo are going strong, Truesdell reiterated observation of others in industry that radio sales are trailing last year's pace and will do so for first half. Other comments by Truesdell, in answer to our questions:

All-channel sets: All Zenith sets except 16-in. are readily convertible to all-channel through addition of tuner. Factory-equipped all-channel sets are sent to areas of substantial uhf telecasting, but conversion is made by dealer—at option of customer—in other areas.

Component hi fi: Zenith has looked into field, decided not to enter it because of "miserable pricing situation." Its record changer is being offered only through regular Zenith distributors & dealers and is same as the one used in Zenith phonographs—not a special component version as originally planned.

Kimcode picture tube: "We will not experiment on our customers. As it is proven in, we'll probably go ahead and use it."

FM-stereo table radio: Truesdell sees "good future" for good-performing sets. "It takes money to build, and this will keep the list price up. You can't think of this in the same terms as a $49 FM set. It will never take over the radio business, but it's a good business and we're pleased with it."

16-in. TV prices: "We have a very high percentage of the industry's 16-in. sales at $159.95, despite the fact that the others are selling at $139.95."

Consoles: "Our sales of consoles are ahead of last year in terms of color & black-&-white grouped—and that's the way you have to think of consoles now."

Color: Truesdell predicts industry sales of about 600,000 sets this year, with Zenith supplying one-third of this number.

Jan. Sales Figures: TV distributor-to-dealer sales were up 7% in Jan. over Jan. 1961 figures, phono sales up 44%—and radio down 20%—according to EIA market data released last week (see p. 9 for later estimates). Production statistics showed all-channel sets accounted for 12% of Jan. output, vs. 7% a year before. EIA's Jan. 1963 figures vs. Jan. 1962:

	PRODUCTION		DISTRIBUTOR SALES	
	Jan. 1963	Jan. 1962	Jan. 1963	Jan. 1962
Total TV	484,415	488,869	503,821	465,836
TV with uhf	58,032	39,609	——	——
Total radio	1,229,507	1,350,603	——	——
Non-auto	635,002	820,041	453,348	562,869
FM radio	87,641	76,510	——	——
Auto	594,505	530,589	——	——
Total phono.	341,694*	259,559*	316,525	219,728
Mono.	83,638*	68,545*	81,046	48,423
Stereo	258,058*	191,014*	235,479	171,305

* Factory sales.

Warwick Mfg.'s sales of Silvertone b&w TV sets increased tenfold during past decade vs. industry's over-all 10% net reduction, Pres. Lawrence G. Haggerty declared at ceremonies marking firm's 10th anniversary. He also noted growing market for color sets, said Warwick is "further increasing our already major investment for producing color TV."

Distributor Notes: Admiral appoints Jack Scott regional sales mgr. covering Buffalo, Cleveland, Toledo, Wheeling, Youngstown • **Carson Pirie Scott** names **Don Valerio** TV-radio-stereo buyer, succeeding **James Catlin** • **Motorola** awards "weekend in Phoenix" to some 100 distributor salesmen & their wives May 2-5 for outstanding sales of TVs & car radios in special "P. V. Galvin Month" program • **Emerson Radio of Maryland** appointed Telectro tape recorder distributor in Maryland, succeeding **Geo. Rosen & Co.** • **Motorola-Chicago**, distributor in Chicago & 13 Illinois counties, commences Fair Trade pricing of Motorola consumer products April 1 "to put a fair profit back into this business in return for the dealer's time, effort & investment," Vp-Gen. Mgr. Earl G. Erickson announced.

———■———

Jan. factory sales of TV picture tubes rose to 890,246 units from 802,061 in 1961's opening month, EIA reported. Dollar value increased to $16,846,046 from $15,625,304. Sales of receiving tubes, however, declined both in units & dollars. Unit sales slipped to 27,025,000 from Jan.-1961's 29,591,000. Dollar value sloughed off to $22,524,000 from $24,787,000.

EIA engineering dept. offices in Washington, N.Y. & Newark will be consolidated as soon as space can be provided in Washington, according to decision by EIA board. Board will consider housing recommendations—including proposal to construct EIA hq building—at June convention in Chicago.

Magnavox will show tape recorder line next July. Company currently produces recorders in England under Collaro trade name, but has never marketed recorder in U.S.

Another imported transistor TV is due from Mitsubishi via Westrex in June. To be sold under Westar label, it has 6-in. screen, weighs 7 lbs., will list at $199.95.

Storer Bcstg. will ask stockholder approval, at April 9 annual meeting, to purchase from Chmn. George B. Storer 439,700 shares of its Class B stock for $12,531,450 cash, or $28.50 a share. Shares would be held as treasury stock, reducing company's outstanding common & Class B shares to 2,001,200 from 2,440,900. If sale is approved Chmn. Storer would continue to own 418,590 shares of Class B—or 20.9% of total outstanding shares—and retain right to vote additional 208,250 shares held in trust. To finance stock buy & to retire existing $5 million bank loan, Storer Bcstg. has arranged for $15 million, 8-year bank loan at average interest rate of 5%, according to Finance vp R. M. Akin. He described Mr. Storer's offer as "a very good buy" for company. Stock closed at 35¼ March 27.

Metromedia anticipates increased sales & profits this year, Chmn.-Pres. John W. Kluge reported to stockholders in annual report. Company had big sales jump & record profits in 1962 (Vol. 3:9 p12). Earnings have jumped 1,100% since 1957, sales nearly 1,000% since 1956.

Rollins Bcstg. expects earnings in its 1963 fiscal year, ending April 30, to jump approximately 24% from year-earlier's $437,396. Pres. O. Wayne Rollins said revenues should climb about 27% from fiscal-1962's $6.4 million.

Admiral, which suffered profit drop despite 8% sales gain last year (Vol. 3:12 p11), closed 1962 with total current assets of $82,352,435—up from $74,434,209 in 1961. Total current liabilities were reduced to $32,698,680 from $36,327,701. Assets included $12,213,836 cash & $35,442,129 notes & accounts receivable, vs. $8,853,964 & $37,181,722 at 1961's end. Net worth increased to $64,622,967 from $63,948,377. Net working capital (current assets minus current liabilities) increased to $49,653,755 from $38,106,-598. All 1961 figures have been restated to exclude accounts of Admiral Italiana. Admiral explained in annual report: "Operations of Admiral Italiana again were unprofitable" in 1962 & the company late in Jan. 1963 "decided to terminate the operations" of the Italian subsidiary "but to continue in the Italian market through the medium of licensed operations. Negotiations already have been undertaken."

Sprague Electric posted record 1962 sales & operating profits (see financial table) and "business during the first quarter of 1963 has been continuing at substantially the same rate" as in 1962's last quarter, reported Chmn. Robert C. Sprague. Sales last year rose more than 12% to $87 million from $77.3 million. Net earnings slipped slightly under 1961's $6.1 million after deducting nonrecurring loss of $363,758. Loss resulted from U. S. Tax Court decision involving 1941-46 income taxes.

Transitron Electronic anticipates further losses in its 3rd fiscal quarter ended March 31 but is "shooting for the break-even point toward the end of the 4th quarter," ending June 30, Pres. David Bakalar said. Transitron was in the red $297,101 at close of 2nd fiscal quarter (Vol. 3:8 p12). In 1962 fiscal, Transitron lost $763,755. Company's profitability depends largely on volume, he said, and he estimated $6.5 million a quarter as break-even point in sales.

Medallion Pictures expects earnings in 1963 fiscal year ending April 30 to double year-earlier's 47¢ a share, even with 13% increase in stock outstanding to 370,000 shares. Pres. Benjamin Schrift said board will consider stock distribution in opening quarter of 1964 fiscal year. Medallion, he said, has "achieved a substantial [competitive] advantage in having assembled one of the first color TV packages—26 films all produced in the 1960s & immediately available for TV stations in the U.S. & Canada."

Gulton Industries sales in 1963 fiscal year ended Feb. 2 rose some 23% to $30 million from $24.4 million a year earlier. Earnings gained to more than $1.20 a share from fiscal-1962's 92¢. Chmn.-Pres. Leslie K. Gulton said sales were divided "about 50-50" between govt. & commercial customers, emphasized that company plans "most significant expansion" in field of rechargeable batteries.

Telex Inc. will become Telex Corp., headquarters in Delaware. Stockholders of Tulsa-based manufacturer of phonos, tape recorders & electronics components approved proposal to transfer corporate hq to Delaware by voting sale of all corporate assets, effective March 31, to new Telex Corp. incorporated in that state. Telex Corp. will issue one share of common for each outstanding Telex Inc. share.

INTEC-Westbury CATV equipment line has been bought for undisclosed price by Electronics, Missiles & Communications Inc., Mt. Vernon, N.Y. (Dr. B. W. St. Clair, pres.) INTEC is subsidiary of big French Compagnie Generale de Telegraphie Sans Fils (TSF).

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Avco	1963—qtr. to Feb. 28	$113,656,405	$ 10,382,379	$ 4,988,379[1]	$0.45	11,130,643
	1962—qtr. to Feb. 28	83,179,565	6,971,459	3,321,459	.31	10,846,897
Consolidoted Electronic Industries	1962—year to Dec. 31	165,864,282	—	4,980,478	1.57	3,176,908
	1961—year to Dec. 31	144,437,881	—	4,883,699	1.54	3,170,002
ITT	1962—year to Dec. 31	1,111,211,036[1]	—	40,693,850[1]	2.43[2]	16,496,956
	1961—year to Dec. 31	943,472,099	—	36,059,034[3]	2.18[2]	16,265,222
Philips Electronics & Pharmaceuticol	1962—year to Dec. 31	83,944,402	3,895,330	1,858,477	.79	2,355,711
	1961—year to Dec. 31	38,345,040	1,823,659	1,054,066	.53	2,000,874
Radio Shack	1962—6 mo. to Dec. 31	8,024,854	—	(593,590)	—	683,949
	1961—6 mo to Dec. 31	10,432,949	—	102,206	—	683,949
Sprague Electric Story on p.11	1962—year to Dec. 31	86,954,897[1]	—	6,066,319[4]	4.01	1,512,590
	1961—year to Dec. 31	77,254,031	—	6,092,473	4.14	1,471,709
Telectra Industries	1962—year to Dec. 31	4,804,028	—	354,048	.49	—
	1961—year to Dec. 31	4,582,066	—	(643,656)	—	—
Times-Mirror	1962—year to Dec. 31	145,810,341	—	6,224,837	1.45	4,300,492
	1961—year to Dec. 31	126,374,499	—	5,476,822	1.28[5]	4,282,534[5]

Notes: [1] Record. [2] After preferred dividends. [3] Before $7.6 million nonrecurring gain. [4] After $363,758 nonrecurring loss. [5] Adjusted to reflect Jan.-1962 stock dividend.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Littelfuse	Q	$0.03¾	May 15	Apr. 30
MPO Videotronics	Q	.10	Apr. 15	Mar. 29

Mergers & acquisitions: Litton Industries has acquired for undisclosed common stock & convertible debentures **Winchester Electronics**, Norwalk, Conn. maker of electronic connectors • **Advance Ross Electronic** stockholders will vote April 24 on offer by **H. M. Byllesby & Co.** to acquire company on a share-for-share exchange. Byllesby, an investment firm, already owns 32% of TV components maker's 707,131 outstanding shares. • **Microwave Associates** will acquire **International Microwave Corp.**, Cos Cob, Conn. in a stock exchange.

National Co. anticipates "good volume & a profitable year in 1963" despite fact that showing in first 2 months wasn't a "brilliant one," reported Chmn. Herbert C. Guterman. Malden, Mass. maker of electronic products & frequency standards earned $9,718 on $8.8 million sales in 1962 (Vol. 3:11 p12). Stockholders approved restricted stock option plan under which newly appointed Pres. Herbert A. Finke will be able to buy 20,000 shares of National common at 100% of the fair market value.

Ampex sales & profits in fiscal-1963 year, ending April 30, will be higher than anticipated. Pres. W. E. Roberts now forsees 13% sales gain to "about $95 million" from fiscal-1962's $84.1 million. Net income is expected to soar about 50% to approximately $5 million from $3.2 million. Ampex earlier foresaw 10% sales rise & net income up "substantially."

Wilcox-Gay has filed $300,000 trademark infringement suit against Majestic Electronics Ltd., Chicago, charging latter with selling TVs, radios & other electronic products under "Majestic" brand. Wilcox-Gay contends that action is infringement of its trademark "Majestic, Mighty Monarch of the Air."

GT&E has placed on market $50 million of 4½% sinking fund debentures due 1988. They're priced at 101% & accrued interest to yield 4.43%, are not redeemable at lower interest cost to company prior to March 1, 1970.

Giannini Controls, Conrac's parent, "in terms of earnings is moving up again," Pres. Donald H. Putnam told annual meeting. He said first-quarter earnings will top those of 1962's final 3 months.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington 6, D. C.
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, *Editor & Publisher*
JONAH GITLITZ, *Managing Editor, Television Digest*
PAUL STONE, *Editorial Director, Television Factbook*
VIRGINIA SNOWDEN, *Monaging Editor, Televisian Factbook*

BUSINESS
EDWARD M. KELLY, *Generol Monager*
RUDOLPH SAPPER, *Circulotion Monoger*

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, *Editoriol Director*
CHARLES SINCLAIR, *Contributing Editor*

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philodelphia 51, Po.
Midway 2-6411
HAROLD RUSTEN, *Associate Editor*

TELEVISION DIGEST. Published Mondays. Services: $75-$150 annually. For group rates & other subscription services, write Headquarters.

TELEVISION FACTBOOK Published Annuolly
TV & AM-FM ADDENDA Published Saturdoys
AM-FM DIRECTORY Published Annually

WEEKLY **Television Digest**

with

Consumer Electronics . . . (starting on page 10)

APRIL 8, 1963

NAB LIBRARY

NEW SERIES VOL. 3, No. 74

The authoritative service for executives in all branches of the television arts & industries

APR 8 1963

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

NAB & FCC—TAKING FIRMER POSITIONS, Collins gaining more acceptance from conventioneers who bridle at Commission moves on commercial ceiling and license fees. Ratings, CATV, also top topics (pp. 1 & 7).

NEW ERA IN BROADCAST equipment foreshadowed at NAB exhibits by solid-state modular products. New cameras proliferate, including many more vidicon units; 4-vidicon film chains & 17-in. monitor steal color spotlight; active interest in uhf transmitters (pp. 3 & 8).

WEARY NIELSEN BOWS AFTER ROUGH FINALE: Chicago kingpin concludes testimony taken over 3 weeks, hit hard on 'judgment' factors in compiling reports, for canceling ABC Radio, for makeup of sample (p. 4).

FRUITS OF UHF PROMOTION include all-channel set-sale percentage up to 50% in Washington, plans for N.Y. seminar. Govt.-industry committee organizes (p. 5).

POSSIBLE NEW AM-FM STANDARDS: FCC commissioners have before them long-awaited Broadcast Bureau proposal to alter standards. Strict contour protection, abandonment of 'demand' system for AM allociations, among proposals (p. 6).

Consumer Electronics

15-YEAR-FORECAST by Sylvania's Frank Mansfield: TV sales to dip this year, eventually rise to 9-million annual pace, home radios increasing to 18.7 million by 1977 (p. 10).

TRANSISTORIZED UHF TUNERS in 2 versions—full-sized & miniature—offered by General Instrument; small versions to be 'widely used this fall' (p. 10).

COMPONENTS MAKERS SCORE BIG 1962 GAINS. Combined sales of 20 firms rose nearly $60 million to $1.531 billion from 1961's $1.471 billion; earnings of 23 components & tube makers climbed $13.5 million to $61.8 million from $48.4 million (p. 11).

FAIR TRADE POT BOILS ANEW: Motorola-Chicago initiates fair trading; Pa. Supreme Court justice blasts state's Fair Trade Act; new organization formed to fight fair-trade legislation (p. 13).

GOVT. & FOREIGN PARTS: Initial decision in Motorola case indicates FTC examiner's view that radio can't be called 'American' if 'essential parts' are imported (p. 14).

PHILCO NEGOTIATES OTTER TAKEOVER: Agrees 'in principle' to acquire stocks of Philadelphia, Newark & N.Y. distributor, John M. Otter companies, but emphasizes that action does not reflect plan to replace independents with branches (p. 14).

NAB & FCC—TAKING FIRMER POSITIONS: "Collins sounds more & more like our boy. We're glad Minow is leaving, but we doubt that the next FCC chairman will be better—and he could be worse, so life with the Commission isn't likely to be easier." That's about the typical reaction of NAB members at end of convention in Chicago last week.

Convention produced more open hostility to FCC & govt. regulation than heretofore. This was intensified by fact that all questions came from floor during FCC panel period, weren't written and screened as in preceding years. Commissioners bristled noticeably at some crudely expressed "questions" which were primarily speeches. For example, Comr. Bartley, who has legion of broadcaster friends, asked: "When are we going to get the questions?"

Conventioneers definitely had dander up about FCC's proposal to put Commission teeth into NAB's own commercial Code limitations, and its vote to impose license fees (Vol. 3:13 p2). They were most tickled at Collins's all-out opposition to these.

And delegates cared not at all for Minow's proposal that law be passed requiring all broadcasters to belong to NAB and to give NAB power to discipline violators of commercial provisions. (Minow would leave Code's programming provisions alone, said it would be "dangerous" to touch these.)

Minow's recommendation that uhf be stimulated by having networks grant both vhf & uhf affiliates in each market—the uhf to rerun some programs later, at lower cost to sponsors—was generally regarded as an impractical nightmare from economic standpoint.

But delegates were told, by NAB Gen. Counsel Douglas Anello, that one or 2 FCC votes are likely to switch, killing chances of ceiling on commercials—and that there is 50-50 chance of beating Commission in court if it does finally adopt such limitations.

Program ratings—the shaking up given industry by Harris Subcommittee (see p. 4 for last week's developments)—are giving many broadcasters the willies. Delegates seemed relieved to hear Collins review work being done in NAB's Research Program. He said plan will be submitted to board in June meeting. Charles Crutchfield, Jefferson Standard Bcstg., at one meeting said: "We must help put out the fire that is threatening to consume us."

FCC proposal to charge license fees—up to $100 for major applications (Vol. 3:13 p2)—provoked lively opposition, including one suggestion from floor during FCC panel session, that govt. be charged for public service announcements. Comr. Hyde endorsed this.

Mich. GOP Gov. Romney, April 3 luncheon speaker—and a very effective orator—delighted audience with blast at spread of "federal power" and of "broad indictments of the broadcasting industry." He contrasted current FCC actions with free-enterprise philosophy of his late father-in-law, Federal Radio Commissioner Harold A. Lafount (1927-1934). New Comr. Cox said Romney would be surprised to learn that Lafount voted for many Commission actions which are today termed "program control." Said Minow later: "Gov. Romney said he was not well informed on the subject. I agree with him." He added: "He has a fine sense of responsibility. If more broadcasters had as much responsibility, we wouldn't need much govt. regulation."

Not all broadcasters condemned Minow totally & flatly. One top telecaster put it this way: "It's his job to make whatever proposals he thinks are right. I think he's wrong in many of them—but it's our job to consider them carefully and tell him why he's wrong." Nor has Collins abandoned his strongly held but unpopular views. For example, in news conference, discussing his opposition to cigarette commercials aimed at youth: "I have no change of feeling whatever. I've become even more convinced that it was the right thing to say. This is another case in which the broadcaster has waited for govt. to tell him what to do."

Minow's well-prepared & well-delivered speech was accepted politely. But since he declined to discuss reports of his resignation—though he joked about them—everyone in audience tended to shrug it off with assumption Minow is "lame duck." Audience applauded only once—when Minow reported that FCC had reduced AT&T after-9 p.m. long-distance calls to $1 and suggested that reduction "might induce the rating services to make a few more calls."

Minow hasn't lost his zealousness. For example, discussing industry self-regulation through Codes, he departed from prepared text to say: "Gov. Collins, the time has come for more than speeches." And, commenting on Omaha-type hearings: "I cannot understand how local expression about broadcasting service can be interpreted as governmental interference with freedom. The public's right to insist on having a voice in your decisions, and the public's right to free expression, will be honored & maintained."

Collins brought joy to conventioneers, was applauded 12 times, with such statements as these: "There is wrong in your FCC house . . . Commissioners, you have burdened, and threatened to burden, the many for the wrongs of a few. And we submit these efforts constitute a serious threat to the preservation of freedom of expression in this country."

But Collins said best way for industry to achieve respect of govt., is to improve, and he proposed 5 steps: (1) Improve ratings. (2) Reduce advertiser influence on programs. (3) "Project & enforce our Codes." (4) Develop an NAB Program Dept. (5) Join forces to fight illiteracy, in countries such as Dominican Republic, which has solicited our help. Said Collins: "I believe all these proposals, beyond their intrinsic merit, will further advance our public interest posture."

Convention had some excellent & unusual panel discussions and debates (for highlights, see p. 7). Equipment developments put growing emphasis on solid-state modular products & ease of maintenance (see pp. 3 & 8).

Registration was 3,437, greatest ever. The 1964 convention will be held in Chicago's Conrad Hilton again; 1965 confab is set for Washington, probably at Shoreham & Sheraton-Park hotels.

NEW ERA IN BROADCAST EQUIPMENT: Sharp break with past in station technical operations was foreshadowed last week at NAB equipment exhibits in Chicago.

Trend to transistorization & modularization of equipment, which first became evident at 1962 convention, is more than mere nuts-&-bolts matter. Real significance is that virtually breakdown-free and no-repair equipment is now in sight. One veteran industry engineer goes so far as to predict "disposable circuits," which can be unplugged & discarded—replaced, not repaired.

Revolution is more than technological. It's dictated also by anticipated vitalization of uhf & small-market TV, as well as ETV—coming generation of Ma-&-Pa (and schoolteacher) TV operation. Trouble-free, compact, long-life equipment, which can be "repaired" by unskilled personnel is becoming vitally needed.

At this year's equipment show, almost every new piece of broadcast gear employed solid-state circuitry in whole or in part. Majority of it was modularized (for plug-in replacement) in one form or another. Take just one example—sync generators. Several solid-state modular units were shown. Typical version occupied only 12 in. of rack space, drawing 30 watts of power—far cry from TV's early generators which took up huge cabinet, consumed hundreds of kilowatts and required own air-conditioners. Among equipment highlights:

Cameras: Never was there such abundance of new live cameras—plenty of 3 & 4½-in. IOs, but particularly studio vidicons. Vidicon cameras (now mostly transistorized) have come long way, are being bought by networks for news & weather shows, recommended for many small-station uses. Side-by-side demonstration shows their grey scale & lack of noise are more comparable to 4½-in. than 3-in. IO. New 1½-in. vidicon is used in several film cameras and one live one (**Sarkes Tarzian**).

Color: Interest & enthusiasm was generated by new type of color film channel, using 4 vidicon pick-up tubes—one for monochrome (luminance), 3 for color (chrominance). GE showed production model, sold it to WSM-TV Nashville; RCA showed developmental one with 1½-in. vidicon for monochrome channel. Principle is similar to developmental 4-tube live camera shown by RCA last year, and understood to be due for unveiling in production version at next year's NAB.

GE showed updated live color camera, partly transistorized, developed to provide good registration with its Talaria color theater-TV projection system (Vol. 3:9 p3). One of stars of show was Conrac's 17-in. rectangular color monitor (using Japanese 90-degree tube), displaying beautiful picture. This mostly transistorized unit will also be sold by RCA (under own logo), **GE, others.**

Interest in color was somewhat greater than last year—most of it centered on film & slide equipment. Very few stations seem willing to make expensive plunge into live color.

Tape: Lower-cost transistorized VTR ($34,500) from Ampex and the previously shown deluxe transistorized TR-22 from RCA took spotlight. Ampex offered & demonstrated its Editec electronic editing accessory which makes possible animation & time-lapse photography on Videotape. Also premiered was Ampex's 120-lb. portable VTR, using 2-in. tape and designed for closed-circuit market, at $11,900. Much interest was shown in Precision Instrument's 68-lb. TV recorder at $12,150, demonstrated at Storer Bcstg. suite in Executive House. Sony's portable recorder also attracted attention. (Precision & Sony machines were described last week in Vol. 3:13 p6.)

Uhf: Revival of interest was evident, and there was talk—in sessions and on exhibit floor—of new high-efficiency Eimac power klystron, incorporated into GE's redesigned uhf transmitter line. ITA Electronics announced its entry into TV transmitter field with 25-kw unit—currently being designed. We were told new transmitter will be fabricated to reflect newly relaxed FCC rules, and that video & audio power may be developed by single Eimac klystron of the new type (instead of 2).

FM & stereo: Interest has shifted from transmitters & stereo generators to transistorized stereo consoles and to stereo monitors which anticipate FCC's upcoming standards. Transmitter manufacturers agreed that business would continue in state of suspended animation until end of FCC's FM freeze.

For more detail on new broadcast equipment, see p. 8.

WEARY NIELSEN BOWS AFTER ROUGH FINALE: End came finally to Harris Subcommittee's sampling & evaluation of Nielsen methodology. It was another rough week for Chicago kingpin, which has been on stand for 6 full days & 4 half days spread over 3 weeks. Pres. A. C. Nielsen Jr. was home from Australia, observed hearings 2 days.

"It's been a long, tedious situation, like pulling an eye tooth," said Chmn. Harris (D-Ark.). Originally planned for 2½-3 weeks, hearings now go into 6th week. (For NAB convention reaction, see p. 2.)

Much time was spent on Nielsen cancellation of ABC Radio pact because network didn't want new services at increased cost. Nielsen quit publishing ABC Radio figures in June; first Sindlinger report for only ABC Radio came out in Sept.

After establishing that many ad agencies won't look at network salesman unless he has Nielsen figures, Rep. Moss (D-Cal.) said: "You have a virtual monopoly position. A client has to take everything you sell or nothing." Nielsen had made changes to report 4-week cumulative ratings, rather than 2-week, to improve auto report & to report portable-set listening twice a year.

Staff counsel Robert Richardson said: "You call them improvements, but ABC Radio called them bad research" and didn't want to go along with increased costs (monthly bill would have gone from $8,900 to $9,900). Henry Rahmel, Nielsen exec. vp, said other networks wanted these changes as soon as possible and that Nielsen couldn't offer 2 kinds of network radio service at same time.

Auto report became center of controversy. It's based on gross 690 sub-sample of 1,120 national homes. Information is based on diaries supported by Recordimeters in 25% of sub-sample autos. Diaries reflect only time auto set is on, not stations tuned. Nielsen report, however, provides networks with estimates of their auto tune-in shares based on in-home listening shares. Subcommittee was incensed, asserted that this procedure—one of supposed improvements that ABC Radio didn't like—wasn't based on research.

A network representative who had sat in on all-network meeting with Nielsen, discussing these changes, told us that research firm was not enthusiastic about auto proposal. Moss said its only value is to permit a network to inflate its listening. He said he hopes "FTC will take critical look at what I regard as an outrageous action."

Another critical point brought out was that Nielsen uses "judgment" factors in compiling reports. A day's listening from one week's diary may be "borrowed" to reflect that listening for the 2nd week's diary if latter has no entries for that day. Company also uses "bridging"—attempts to match Recordimeter & diary entries. In some cases, normally valid diaries are thrown out. Nielsen said such practices occur rarely.

Furor developed over Louisville report in which 39 diaries were discarded. Richardson said inclusion of these diaries would have upset rankings to show non-subscriber WAKY ahead of subscriber WKLO, contrary to published report. Rahmel asserted: "We don't do business that way."

Richardson had some surprises regarding "secrecy" of Audimeter homes. Through normal diligence, without Subcommittee power, he said, he was able to locate 70 homes in 6 months. Nielsen vp Warren Cordell was "surprised," said Richardson was "ingenious."

Staff investigator said that an unnamed Nielsen client has for several years had map showing location of sample counties. Cordell was again surprised, said company uses only about 6 maps in Chicago.

Rep. Brotzman (R-Colo.) took researchers to task for having no Audimeters in Mountain Time Zone, which accounts for 4-5% of population: "I don't see how you can logically represent the nation when you leave out a segment of the population." Cordell said MTZ would only make a difference of 0.1 to 0.2 rating point. Rahmel said distances make it uneconomical.

Subcommittee made other charges that sample was not representative. It showed that 2 neighboring families on relief in Chickasha, Okla., were part of national sample, accounting for 100,000 homes.

When hearings started early in March, Nielsen notified TV stations of price increase averaging 27%. Neilsen official told us it's based on increase in sample and modified sampling procedures. Earliest new rates go into effect is next Dec. Also pending are proposed changes in local radio, with 5-fold increases in sample and 500% jump in rates for some stations.

We're told ARB plans to double sample size. It would probably charge broadcasters 30-40% more. Except for additional internal research into diary fulfillment errors (Vol. 3:13 p3), ARB plans no other alterations, believes its system has come through well. It's concerned, however, that hearings may have harmed all services.

Spot check of network researchers attending hearings shows them little surprised. They say they've been aware of most "weaknesses" in Nielsen. Nielsen officials also told us that, contrary to popular concept of firm as "fat cat," annual TV-radio gross of $7 million yields little profit.

Serious atmosphere of week's fact-gathering & word-wrangling was broken once. San Diego diary was filled out by woman who said she listens in morning & at night. She left radio on during day for dog which "enjoys it as much as a dog can." Diary was counted for that day, reporting: Audience composition —one woman.

Following Nielsen to stand were 3 of its former field men. They concurred with many Subcommittee charges that meters in home could be tampered with, that survey techniques are sloppy, that cheating could occur.

At end of Nielsen testimony, Harris said industry self-regulation is strongly indicated. "Someone had better get to thinking pretty seriously about procedures that are more in keeping with the public interest."

Fruits of Uhf Promotion: In Washington, 50% of current set sales are all-channel, according to EIA's L. M. Sandwick, who believes that govt.-industry seminar for dealers & servicemen, aiding the 2 uhf in town, is largely responsible for great upsurge. Next target is N.Y., he said: "We're going to give them a ticker tape job."

Post-NAB convention meeting of exec. committee of FCC-industry's Committee for the Full Development of All-Channel Broadcasting (name changed, substituting "All-Channel" for "Uhf") in Chicago last week:

(1) Enlarged itself from 20 to 22, adding Richard Hull, NAEB, and a labor member to be named later.

(2) Appointed 3 committee chairmen: Technical—Ben Adler, Adler Electronics, chmn.; Sarkes Tarzian, Sarkes Tarzian Inc., vice chmn.; uhf station operation—Seymour N. Siegel, WNYC-TV N.Y., chmn.; Adam Young, Adam Young Inc., vice chmn.; consumer information—L. M. Sandwick, EIA, chmn.; Mort Farr, NARDA, vice chmn.

Next meeting, in Washington, comes April 29.

■

Farewell to co-ax: Only 2% of Bell System's intercity TV mileage is now represented by coaxial cable—down from 30% in 1954. So said AT&T long lines div. engineer Sheldon C. Jenkins in paper presented at NAB broadcast engineering session last week. Other facts about current status & future plans for Bell's TV relays: Carrier now maintains 94,000 miles of inter-city channels (up from 39,000 in 1950) and has 141 TV operating centers. This does not include nationwide network of multi-purpose broadband channels, available to TV in emergencies and for occasional special use. AT&T's standard TD-2 microwave amplifiers are being modified to increase their power to 5 watts from current ½ watt. New TD-3 system, to be available in 1965, will have 5 watts from start. Joint broadcaster-AT&T Network TV Committee has completed 2nd edition of its standard text, *Video Analysis*, now being sent to all NAB member stations.

Development of strong uhf lobby was urged by John English, WSEE Erie, veteran of uhf wars, at meeting of Assn. for Competitive TV (ACT) last week in Chicago. Referring to early battles for deintermixture, he said: "If we had been in there fighting in Washington with a solid professional approach, we could have won. We can blame ourselves for a ridiculous performance, due to lack of organization, lack of strength." He said "whole attitude of Madison Ave. [toward uhf] has changed," noting that his station recently "got more national spot in one 3-day visit to N.Y. than we carried in a year." Group also heard report from Comr. Lee on status of uhf and on necessity of educating public & dealers. EIA Consumer Products Staff Dir. L. M. Sandwick asked uhf outlets to help with education process. In answer to question, he said manufacturers will not build up inventories of vhf sets to dump on market when all-channel law goes into effect. Dumping, he said, "is a luxury that's long gone."

Too many engineers: 14 men & a girl were trapped in stalled elevator at Chicago's Conrad Hilton Hotel during NAB convention April 2. Of the 14 men, 13 were broadcast engineers, who had just left engineering conference in hotel's upper tower. The girl was elevator operator. Trapped between 22nd & 23rd floors, illustrious group included ABC Engineers Pres. Frank Marx & CBS-TV Engineering & Affiliate Relations vp William B. Lodge. As elevator operator frantically pressed emergency button, one of the engineers asked: "What happens when you push that button?" Replied the operator: "They'll send up an engineer." They did, and rescue was effected on 22nd floor.

Tributes presented at NAB: To Bob Hope, for laughter; to Mrs. A. Scott Bullitt, King Stations, for service on TV Code Review Board; to Harold V. Hough, WBAP-TV Ft. Worth, as "Dean of American Broadcasters"; to Clair McCollough, Steinman Stations, for service as chairman of joint boards; to former FCC Comr. T. A. M. Craven, for 40-some years in govt.

POSSIBLE AM-FM STANDARDS: Long-awaited proposal to alter AM & FM standards is before FCC commissioners now. It's understood that following are some of proposals advanced by Broadcast Bureau:

(1) Theoretical contours of existing stations would be protected by new applicants. There can be no overlap.

(2) Traditional "demand" system of allocating AM space on individual basis will be changed to a "go-no-go" system; application fits or else it's rejected.

(3) Number of new stations allowed in a market would be determined by population.

(4) Long-range goal would be an integrated AM-FM service, with FM not duplicating AM.

No new daytime applications for Class II-B, II-D, III & IV stations would be accepted unless they meet these standards, among others: Co-channel—0.5 mv/m contour of Class II, III, IV stations would be protected by 0.025 mv/m contour of proposed station; 0.025 mv/m contour of all classes would be protected by 0.5 mv/m contour of new station.

For 10 kc separation—0.5 mv/m contour would be protected by 0.5 mv/m of proposed operation.

For 20 kc separation—25 mv/m contour would be protected by applicant's 2 mv/m; 2 mv/m to be protected by 25 mv/m.

For 30 kc separation—25 mv/m contour would be protected by 25 mv/m.

Broadcast Bureau proposal also says future FM assignments will be made through table of mileage separations to make possible limited number of omnidirectional stations rather than large number of stations with directionalized coverage.

Proposal would require all FM stations to duplicate AM no more than 50% of time. Existing stations would be required to do this one year after adoption of rule. There's no plan to separate AM-FM ownership.

In addition to much tighter engineering standards, proposal includes these AM objectives: Bring primary aural service to areas lacking same; bring first local aural service to as many independent communities as possible; bring multiple local aural services wherever possible. New nighttime applications will be kept to bare minimum.

New standards wouldn't favor suburban applications seeking to cover large cities.

New stations wouldn't be allowed in communities which now have more stations than proposal's population standard (e.g., maximum of 7 stations in city with over 100,000).

———■———

Elected to NAB TV board: James Russell, KKTV Colorado Springs; Otto Brandt, King Stations; Joseph Baudino, Westinghouse; John Dille, WSJV South Bend; Robert Wright, Meridian, Miss.; Glenn Marshall, WJXT Jacksonville. Chairman will be chosen at June meeting, and William Quarton, WMT-TV Cedar Rapids, is expected to be reelected. Radio board elected Ben Strouse, WWDC Washington, as chairman, succeeding Willard Schroeder, WOOD-TV & WOOD Grand Rapids, who's expected to be named joint-board chairman in June.

FM's Turning Point: FM broadcasters' customary air of enthusiasm at NAB & NAFMB conventions last week in Chicago was tinged with strongest feeling of optimism yet observed among this music-loving group. Hypoed by FM stereo, increasing set sales & growing sponsor interest, they counted themselves in the broadcasting industry for first time. "Remember, we're broadcasters first, FM operators second"—or words to that effect—were heard several times at sessions.

Broadcasters make money and have sponsors, and there was evidence that FM was working up to this cheering condition. Particularly encouraging was report by NAFMB Chmn. T. Mitchell Hastings Jr. on Harvard Business School study which predicted: (1) Average FM station will show profit next year for first time, and in 3 years FM's profits will triple. (2) By 1973, some $374 million will be spent on FM sponsorship, out of total $1.2 billion for all radio advertising. (3) Number of FM sets will equal AM by 1967, and FM sets will outnumber AM by 2.4 million the next year. (4) Number of FM outlets will level off at 3,200 in the 1970's.

They heard FCC Comr. Bartley urge them to maintain high quality of FM broadcast programming & advertising standards. Zenith ad vp Erik Isgrig told them to be more aggressive in seeking sponsors. He said that last year Zenith spent only minor portion of ad funds it had earmarked for FM sponsorship because stations didn't call on its distributors for business.

Panel on FM stereo brought out these points: (1) Many advertisers & agencies—including such giants as GM, Robert Hall, Canada Dry—are supplying or preparing stereo commercials. (2) Quality of stereo discs for compatible programming is improving. (3) There are still problems in combined stereo & SCA operation, but they are far less nettlesome than year ago. (4) Although most stereocasters deplore "gimmick records" with exaggerated separation, they are programming them during store hours to help sell sets.

EIA Consumer Products Staff Dir. L. M. Sandwick told panel that U.S. manufacturers would produce more than million stereo receivers this year. He said this proves FM stereo has been 2nd in public acceptance only to TV—since it took 4 years after introduction of AM radio before industry reached million-sets-a-year pace and considerably longer in monophonic FM.

———■———

Will computers replace people? Subject continues to provide lively conversation at major ad agencies in N.Y. and other centers, and opinions & facts don't always match. Opinion: at NAB convention, Y&R Vp & Dir. of Media Relations Warren Bahr and Media vp Joseph St. George of same agency told broadcasters that computers "cannot supersede buyer's judgment" in areas of program evaluation & intuition. Fact: at BBDO office in N.Y. last week, at least a dozen timebuyers, estimators and other media staffers were given notice; most of their functions are being computerized.

Contribution of $100,000 to educational WNDT (Ch. 13) N.Y. by CBS was announced over weekend by Educational Bcstg. Corp. Pres. Dr. Samuel B. Gould. It was CBS's 2nd financial contribution to station, first having been $250,000 donation as one of several made by N.Y. outlets toward acquisition of station for ETV.

NAB ROUNDUP: Among more interesting sessions at NAB convention was informal discussion of FCC's proposal to put NAB Code's ceiling on commercials into Commission rules—a debate between Comr. Lee and Code Board Chmn. William Pabst, KTVU San Francisco-Oakland.

Lee put good-natured aspect on discussion by opening with: "These commissioners are not all sons of bitches. In fact, there may be only one or 2." He also gave broadcasters some hope by noting that FCC adopts finally only about 50% of rules it proposes.

NAB Code is a "crutch," Lee said, "It's changed when there's trouble. But that hasn't worked. You need advertising, but I'd rather see you raise prices than clutter up your schedules . . . I think you ought to burden the few with the virtues of the many. You never see the bad guy who clobbers you. He isn't a Code subscriber . . . There's no censorship involved, any more than there is in the Post Office limitation on print media advertising, regarding second-class mail privileges."

Pabst: "The FCC release on this was prepared in such a rush that Comr. Lee doesn't know what it is. It talks about a 'special consideration' for stations in sparsely populated areas and 'other factors.' FCC should rescind this notice and investigate the subject . . . Rule-making is slow & cumbersome. I think broadcasters will become disenchanted & demoralized—undermining the Codes . . . Let us have our 'locker room' talk with violators . . . Some small guys have stricter codes than ours. So, there aren't so many bad guys."

In other panels, concern was expressed about growth of CATV; in one, it was indicated that NAB wouldn't be satisfied if new legislation to regulate CATV applied only to systems in one-station markets. TV Board Chmn. William Quarton linked CATV & pay TV: "CATV and the Hartfords may become the pay-TV of the future. Pay-TV is payment for facilities & talent. We'd like the money, but is that the best for the American public? If enough homes are connected, they'll outbid us for talent." A strong CATV committee was appointed: Dwight Martin, WAFB-TV Baton Rouge; William Grove, KFBC-TV Cheyenne; C. Howard Lane, KOIN-TV Portland; Clair McCollough, Steinman stations; John T. Murphy, Crosley; G. Richard Shafto, WIS-TV Columbia, S.C.; William Walbridge, KTRK-TV Houston.

* * * *

Among topics & responses at FCC panel session:

License fees—Minow: "It was a policy set during the last Administration—that the people who get the benefit should pay part of the processing. There's no hardship in the cost." Hyde: "There might be some advantage to the broadcaster in a filing fee." Ford: "We need more specific instructions from Congress."

A broadcaster as next new commissioner—Bartley & Ford: Depends on which one. Ford: "It's not any of our business" to endorse anyone.

License renewals & program proposals—Ford: "There's no standard of any kind" on percentages to be devoted to program categories. "There is a delegation to the staff. If the proposal meets certain criteria, the staff can renew. If not, the staff brings it to the Commission. We'll probably formalize the instructions so you'll know what the staff can renew."

Overcommercialization—Lee: "I'm prepared to accept the industry's judgment." Minow: Industry needs "effective self-regulation."

Omaha-type hearings—Henry: FCC should examine broadcasters' reports on program plans "in light of our 1960 policy statement."

Renewal forms—Ford: "We've made 6 drafts so far. We need to reappraise programming. We need the industry to tell us what's current. . . . Not 'Amos 'n' Andy.' "

FCC letters on local-live programming—Cox: "Our questions are construed as a demand" but they're not. Hyde: "But a letter has the implication of direction." Ford: "The new renewal form will help, require many fewer letters. We're in an interim problem."

Loud commercials—Lee: "If I'm asleep and it wakes me up—that's a clue."

* * * *

In panel on "Broadcasting in a Free Society," Roscoe Barrow, Dean of U. of Cincinnati law college and former dir. of FCC's network study, recommended adoption of many of the proposals he offered to Commission in his network report. Basically, he believes more govt. controls of networks will give stations more freedom. Some of his views were echoed by Philip Hauser, U. of Chicago sociologist who asserted that elected officials (govt.) are more responsible to public than are broadcasters. He suggested that broadcasters may find more freedom through controls —just as traffic rules save lives. Hauser got the only boos we heard during convention. After moderator Erwin Canham, editor of *Christian Science Monitor*, mentioned "managed news" at one point, Hauser said: "A press that is predominantly Republican is also managed news." Hence boos.

Attorney W. Theodore Pierson, long-time foe of govt. controls, said he believes FCC should use more care in selecting licensees—and leave them alone. He went for the "seek-out-needs" formula originated by Comr. Ford, saying broadcaster should demonstrate "that his incoming channels of communication will be efficient and effective in yielding knowledge of his audience and his community."

Donald McGannon, Westinghouse Bcstg. pres., said situation isn't "black-&-white," but that if broadcaster "reaches for his potential, then you're in position to face the govt. If your house is in order, stand up and be heard and let the devil take the hindmost." This produced one of the biggest cheers of convention.

Former FCC Comr. Charles King, Dean, Detroit College of Law, repeated views he held at FCC. "How can govt. police 5,500 stations every 3 years? We have to rely on arbitrary standards—percentages—which mean absolutely nothing . . . Broadcasters are more responsive to needs than public officials."

Lawrence Laurent, TV critic of *Washington Post*, said Barrow's suggestions "constitute an invitation to a kind of enslavement" and Pierson's advice "amounts to an exhortation to commit suicide. Perhaps, only economic suicide." He said that American people are always winners in the continuing "tug of war" between industry & govt.

———■———

FTC spends about 40% of its $11 million-plus budget policing advertising & labeling that may be false & deceptive, Gale Gotschall, FTC consumer relations representative, told recent 9th annual conference of the Council on Consumer Information in Washington.

NEW BROADCAST EQUIPMENT: Heavy emphasis on solid-state circuits & modular construction at last week's NAB equipment exhibition (see p. 3) meant far more "new" broadcast gear this year than at most shows of recent past. There were few real "surprises," with possible exception of unusually large quantity of new products shown by GE—strong evidence of attempt to make up for some lost ground as full-product purveyor to broadcast industry.

Among new cameras was striking new 3-in. image orth unit designed by France's CSF which will be built in U.S. by CSF's affiliate, Intercontinental Electronics. Displayed by Visual Electronics, camera has built-in 10-to-1 zoom lens instead of turret, uses fiberglass & aluminum case, is transistorized, weighing only 58 lb. It's currently unpriced, but will be "competitive." Also shown was 4½-in. version, produced in France.

Much interest was centered on improved version of EMI's remote pan-&-tilt camera mounting, especially suited for one-man station operation. RCA introduced new 3-in. image orth camera, partly transistorized, claiming picture sharpness approaching that of 4½-in. camera. RCA's 4½-in. camera has been revamped & renumbered TK-60.

Studio vidicon cameras proliferated all over the place. New viewfinder vidicon cameras, mostly solid state, were shown by many manufacturers, including: GE (camera alone, $8,200; complete chain, $12,200); GPL (chain "less than $5,000 . . . as easy to operate as a home TV set"); Sarkes Tarzian (1½-in. vidicon camera, $8,500); EMI (transistorized self-contained chain, "around $5,000"); Continental Electronics (chain $3,500); GE displayed new line of improved vidicons and new version of Emmy-winning low-light image orthicon.

Film camera chains featured 1½-in. vidicons & solid circuitry, providing sharper pictures, greater detail. RCA's version will be available by year's end. Sarkes Tarzian also had 1½-in. vidicon film chain. RCA showed new 16-mm film projector with modular construction, automatic change of projection & sound-system lamps, virtually instantaneous start, automatic cueing, reverse operation & automatic film loop restoration.

Conrac's compact color monitor is first to fit in standard 19-in. rack, uses 95 transistors, 21 tubes, is now in production, will sell for $2,450. Much color interest was centered on new film chains. Both GE's & RCA's are transistorized. GE is promising summer delivery; RCA's chain is developmental, with no target date reported for production model. GE's new live color camera chain is priced at about $55,000.

Video-tape equipment showed continued trend toward both sophistication and easier operation. Ampex's new VR-1100, at $34,500, 100% solid state, was described as smallest & least expensive standard broadcast TV recorder (July delivery). RCA, meanwhile, announced it will deliver its 100th all-transistorized TR-22 recorder ($62,500)) in May, demonstrated unit in full-color operation.

Many new tape accessories were shown. Ampex's Editec ($9,500, summer deliveries) is claimed to make possible on tape any special effects which can be made with film; its 2-speed accessory for 7½-ips operation is now available ($1,460). Ampex said it had already delivered 40 tape color conversion accessories.

Other equipment items of unusual interest: Solid-state sync generators by Spectron Inc. (distributed by Visual), Telemet (Telechrome) & Riker Industries. Transistorized 8-in. monitors by Conrac, Miratel & EMI. Parametric pre-amps for translators, remote pick-up, microwave & CATV by Micromega Corp. (Visual). Pre-set RCA solid-state switcher, which can store as many as 10 events ($31,500), operating by pushbutton. GE directional uhf "Zig-Zag" transmitting antenna. Automatic transmitter logging equipment, to meet new FCC rules, by GEL & others.

■

Japanese film purse strings will be held by Finance Ministry on purchases of imported U.S. telefilm shows, even though govt. in Japan has lifted lid on dollar ceilings by doubling permissible spending by program buyers to $3 million every 6 months. Syndicated shows which bring up to $1,000 per 30-min. segment in Japan (about usual going rate now) will receive rubber-stamp approval from Bank of Japan. Any prices higher than that, however, will be subject to case-by-case approval by Finance Ministry. Feature film sales to TV in Japan will also be subject to approval, with price ceiling of about $2,500 per movie. In Washington, meanwhile, Research & Policy committee of Committee for Economic Development urged that "Japan should lower its barriers" to import items, and at same time U.S. & Europe should "end discrimination and reduce restrictions against Japanese exports."

Greece plans TV network with 17 stations serving 80-85% of population. Greek National Bestg. Institute will be reorganized as govt.-owned corporation to operate TV & radio networks. First stage of TV project is estimated to cost $7 million, invitations on equipment are to be published soon. Present radio system will be expanded to include 38 FM stations and a shortwave broadcasting center with two 100-kw shortwave transmitters.

International Foreign Exchange between CBS-owned TV stations and foreign telecasters will be held in May, Merle Jones, CBS-TV Stations Div. pres., has announced. Third annual offering will be "The International Hour: American Jazz," produced by WBBM-TV and sponsored on 5 CBS stations by Miller Brewing Co. Program will then be exchanged with those of participating countries. Eight countries took part in 1962; 7 in 1961.

Second Mexican TV station has appointed ABC International TV Inc. program purchasing agent & sales representative. XHFM-TV, due on air in Veracruz this summer, will be first Mexican independent TV station to begin telecasting in more than 2 years. ABC International recently announced association with XET-TV Monterrey.

Iron Curtain countries are expressing interest in new French Secam color TV system, according to its manufacturer, Compagnie Francaise de Television (subsidiary of big TSF), which says tests are due soon in Russia, Poland & Czechoslovakia. Already testing Secam are France, U.K., West Germany, Italy & Switzerland.

First U.S. station to affiliate with Japanese network is Honolulu's KONA-TV, which has signed with Nippon TV Network to televise 7 half-hours of Japanese network programs weekly.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington 6, D. C.
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, *Editor & Publisher*
JONAH GITLITZ, *Managing Editor, Television Digest*
PAUL STONE, *Editorial Director, Television Factbook*
VIRGINIA SNOWDEN, *Managing Editor, Television Factbook*

BUSINESS
EDWARD M. KELLY, *General Manager*
RUDOLPH SAPPER, *Circulation Manager*

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, *Editorial Director*
CHARLES SINCLAIR, *Contributing Editor*

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, *Associate Editor*

TELEVISION DIGEST. Published Mondays. Services: $75-$150 annually. For group rates & other subscription services, write Headquarters.

TELEVISION FACTBOOK
Published Annually

TV & AM-FM ADDENDA
Published Saturdays

AM-FM DIRECTORY
Published Annually

Personals

Edward Bleier, ABC-TV vp in charge of daytime sales, promoted to national sales mgr. **Yale Roe**, asst. daytime sales mgr., promoted to daytime sales dir. **Bernard Saperstein** promoted to marketing services mgr.

James A. Schulke, former Magnavox ad & sales promotion mgr., elected NAFMB's first full-time pres.; he will head NAFMB's new office at 45 W. 45th St., N.Y.; **T. Mitchell Hastings**, outgoing pres., was named chmn.; all other officers were reelected.

Harold Kassens, chief of FCC's Aural Existing Facilities Branch, received NAFMB's 1963 FMMY Award for "his continuing & untiring efforts in developing sound & practical engineering standards for the FM industry and the subsequent standardization of FM stereo broadcasting."

Oliver Treyz, former ABC-TV pres. and more recently Warner Bros. TV sales mgr., joins Revlon as vp. . . . **Lloyd Cooney** promoted to vp-gen. mgr., KSL-TV Salt Lake City. . . . **Kent Wilson** & **Roderick O'Harra** promoted to operations dir. & local sales mgr., KERO-TV Bakersfield, Cal. . . . **Harold Gorsuch**, ex-WOSU-TV Columbus, O., chief engineer, named engineering & technical services dir., ETV WHYY-TV Philadelphia.

Mike Shapiro, WFAA-TV Dallas gen. mgr., presented Broadcast Management Award by General Federation of Women's Club for involvement in community affairs, news & editorials. . . . **Hugh Robinson**, ex-asst. mgr., WMEG Melbourne, Fla., appointed WFTV Orlando regional sales mgr.

Arch Madsen, KSL-TV-AM pres., & **A. R. Munger**, retired pres., Seattle First National Bank, elected to 11-man board, Queen City Broadcasting (KIRO-TV Seattle).

Gilbert Kingsbury promoted to vp in charge of news operations, Crosley Bcstg. . . . **Morton S. Stone**, ex-account supervisor, Harshe-Rotman & Druck, N.Y. PR firm, named QXR Network vp.

Alton Whitehouse, one-time eastern div. mgr., International TV Corp., named southern sales mgr., Embassy Pictures TV dept. . . . **Bruce Ledger** promoted to Screen Gems (Canada) Ltd. treas.

Claude Piano, ex-Meeker account exec., named exec. vp of radio & TV at Vic Piano Assoc., new rep firm.

Obituary

Samuel Paley, 85, father of CBS Chmn. William S. Paley, died March 31 in Palm Beach, Fla. He was founder of Congress Cigar Co., Philadelphia, helped son start CBS, served on its board 1930-1960. He was born in Russia, came to U.S. as a child. Survivors, in addition to the CBS chairman: wife, daughter, brother.

—■—

Intervention in FCC hearings would be permitted only if petitions were filed within 30 days after notice in *Federal Register*, under Commission-requested bill introduced by Commerce Committee Chmn. Sen. Magnuson (D-Wash). Bill would amend Sec. 309(e) of Communications Act which now allows interested parties to intervene up to 10 days before start of hearing. Rep. Harris (D-Ark.), chmn. of House Commerce Committee, submitted similar measure (HR-5327).

USIA budget has been trimmed $8,994,000 by White House. Amendment to last January's budget sent to Congress shows these reductions: $7,375,000 (to $38,625,000) for acquisition and construction of radio facilities, $579,000 (to $145,550,000) for salaries & expenses, $1,040,000 for Informational Media Guarantee Fund. Major portion of cuts come from eliminating Project Teak, medium wave station for Southeast Asia.

Instructional TV may have greatest effect by capturing on tape a "cumulative record of the best work by the greatest teachers," declares Dr. John Meaney, TV-radio action dir., U. of Texas, in new booklet, "Televised College Courses," published by Fund for Advancement of Education. He reports on Ford Foundation's "College Faculty Released-Time Program for TV Instruction."

Denver pay-TV experiment over Ch. 2 KCTO (formerly KTVR) was granted 3-month extension to July 3 to launch operation (Vol. 2:41 p2). FCC said "good cause" has been shown: Necessary equipment has been purchased, agreement has been made with phone company, equipment space leased, office established. Macfadden Teleglobe holds pay-TV franchise.

IRT Foundation has been formed by International Radio & TV Society, N.Y., as non-profit corporation to sponsor expanding activities of IRTS. In addition to current programs (Time Buying & Selling Seminars, annual Collegiate Broadcasters Conference, etc.), IRTF hopes to offer scholarships in mass communications fields.

WOW Omaha was praised for 40 years of service in unprecedented resolution by Nebraska's legislature. April has been set aside by station for heavy anniversary promotion. It was established April 2, 1923.

Sales rep moves; Bob Hix Co. moved April 1 to 280 Columbine St., Denver 6. Phone: 222-5465 (code 303).

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

15-YEAR FORECAST OF TV-RADIO-PHONO: What will be the measurements of consumer electronics industry 15 years from now? One projection sees factory sales totaling nearly $3.6 billion, up from $2.5 billion in 1963, with retail sales of TV at 8,970,000 sets, factory sales of radios (including radio-phono combos) at 18,760,000, factory phono sales rising to 6,370,000.

Figures are projections by Frank W. Mansfield, Sylvania dir. of marketing research and dir. of EIA's Marketing Services Dept. Here are some highlights of Mansfield's projections:

Retail sales of TV sets: Will rise from 1962 total of 6.6 million to 8,970,000 in 1977—after dip to 6,510,000 in 1963 & 6,570,000 in 1964. By 1967, annual rate will have passed 7 million, exceeding 7.8 million in 1972. Figures presumably include both color & black-&-white sets.

Some 61.6% of TV sets sold in 1962 were replacements, Mansfield estimates, while 22.3% were initial installations, 16.1% second sets in the home. In next 5 years, he forecasts gradual decline in initial sets to 18.6%, rise in replacement purchases to 65.7%. He differs with some prognosticators in predicting decline—not increase—in rate of 2nd-set purchases. He sees 2nd-set buying dropping down to 15.7% of all set purchasing in 1967. By 1977, he forecasts that only 17.5% of TV set sales will be initial installations, with 2nd-set purchases down to 12.8% of total and replacements accounting for 69.8% of TV set buying.

His forecast, therefore, is extremely moderate in terms of TV sets per home. He estimates that number of TV sets in use now exceeds TV homes by about 18%; by 1967, he sees it going up only to 24%—meaning less than one-quarter of TV homes will have more than one set.

Reporting on past & present TV trends (as opposed to forecasts), Mansfield estimates about 60,780,000 sets in use in U.S. today. Of these, 3.9% have screens smaller than 16-in., 20% 16- through 18-in., 60.4% 19- through 21-in., 15.7% 22-in. & over. To date, some 86,223,000 TV sets have been sold to U.S. public—and about 25,443,000 of these have been scrapped.

Radio projection: Mansfield placed 1962 factory sales of radios (excluding auto, but including radio-phonos) at 13,105,000. Although he predicted decline in 1963 retail TV sales, he foresaw factory radio sales rising this year to 13,630,000, steadily going up to 15,390,000 in 1967, to 17,150,000 in 1972 and 18,760,000 in 1977. Average factory price of radio (including radio-photo) was put at $34.88 in 1962, and seen leveling off at $37.20 in 1972-77.

Factory phono sales: From the 5,293,000 sold in 1962, according to Mansfield figures, phono sales should decline to 5.1 million units this year, then rise steadily—but not passing 1962's pace until 1967. By 1972, sales should be up to 5,830,000, reaching 6,370,000 by 1977. Average unit factory price should rise evenly from $98.07 in 1962 to $102.40 in 1963, $110.70 in 1967, $114.60 in 1972 and $117 in 1977.

MORE TRANSISTORIZED UHF TUNERS READY: New miniature transistorized uhf tuner, now in tooling stage, will be "widely used this fall" by set manufacturers, according to spokesman of General Instrument Corp., largest manufacturer of uhf tuners.

GI's transistor tuner is 2nd to be revealed in 2 weeks. GE disclosed at recent IEEE convention in N.Y. that new miniature uhf tuner is going into production there (Vol. 3:13 p7). New GI tuner measures 2 x 2⅜ x 1 in., presumably will be widely used in 16-in. & smaller sets where space is important consideration.

"Some set manufacturers are already committed" to use miniature tuner, GI spokesman said. Aside from compact size, he said, transistor tuner's biggest current advantage is its low radiation, well below FCC's minimum of 500 microvolts (which has been waived by FCC because so few uhf tuners actually could meet it).

Other advantages: Long life, as compared with tube-type oscillator; stability. GI hopes to offer new tuner at price slightly lower than its current tube-type uhf tuner.

Miniature tuner will have same basic characteristics as current tube-type GI tuner, which has become virtual standard of industry. It uses Fairchild silicon transistor and conventional diode mixer. Sensitivity & noise characteristics are said to be about same as conventional tube-type tuner.

Miniature tuner is brand new, was developed after GI had offered larger standard-size transistor uhf tuner to set industry. Latter has been in pre-production runs and is ready for production now — but so far there's no indication any set makers will use it. Its price would be "pennies more" than GI's tube-type tuner.

COMPONENTS MAKERS SCORE BIG 1962 GAINS: Last year was a good one for most manufacturers of electronic components & tubes. Sales & earnings were upbeat all the way (Vol. 2:50 p11), and pushed 1962 totals markedly ahead of 1961's.

Combined 1962 sales of 20 representative companies shot ahead nearly $60 million to $1.531 billion from 1961's $1.471 billion.

Consolidated earnings of 23 components makers rose $13.5 million to $61.8 million in 1962 from 1961's $48.4 million. The 1962 earnings are after deducting combined $648,017 losses racked up by Aerovox ($506,909) & General Bronze ($141,108). The 1961 figures also are net, after $2,374,166 losses—Aerovox ($606,568), General Bronze ($1,663,832), Sonotone ($103,726).

Many of the companies we analyzed produce other products in addition to tubes & components. Others are major factors in military production of components & tubes. However, they are representative of TV-radio components industry & are major indicators of sales & profit trends in area of components for home electronic products. Companies analyzed are Aerovox, Amphenol-Borg Electronics, Clevite, CTS Corp., Dynamics Corp. of America, Eitel-McCullough, Erie Resistor, Gabriel, General Bronze, Globe-Union, Hawley Products, Indiana General, International Resistance, P.R. Mallory, Muter, National Union Electric, Oak Mfg., Sonotone, Sprague Electric, Standard Kollsman, Texas Instruments, Thompson Ramo Wooldridge, Tung-Sol.

Of 20 firms that posted booming sales of $1,531,004,458, only 3 — Tung Sol, Sonotone & Standard Kollsman—failed to show gain from 1961. Many of the gains were impressive, and record volume was achieved by 6 companies—Dynamics Corp. of America, Clevite, Thompson Ramo Wooldridge, Texas Instruments, International Resistance, Sprague Electric.

In profit picture, only 5 of 23 failed to earn more in 1962 than in 1961, and 3 companies turned in peak profits. They were Dynamics Corp. of America, Oak Mfg., International Resistance. Only 2 companies finished year in the red—Aerovox & General Bronze. Both turned in 1961 losses as well, but both reduced deficit last year—Aerovox to $506,909 from $606,568; General Bronze, $141,108 from $1,663,832. Sonotone reversed 1961's $103,726 loss with $301,944 profit. Sprague Electric had record operating profits of $6,430,077—but this was whittled by nonrecurring loss of $363,758 resulting from U.S. Tax Court decision on 1941-46 income taxes.

Many of the profit gains were impressive. Thompson Ramo Wooldridge nearly doubled earnings to $12.5 million from $6.5 million. Hawley Products nearly quadrupled profits—to $400,000 from $104,570. Dynamics Corp. of America jumped $1.4 million to $3.6 million from $2.1 million. Amphenol-Borg skyrocketed to $2.3 million from $623,299, and Oak Mfg. soared to $907,031 from $557,662. Erie Resistor more than doubled earnings to $1 million from less than $500,000.

Sales gains also were heady. Thompson Ramo Wooldridge boomed more than $50 million to $460.3 million from $409.1 million. Texas Instruments climbed to $240.7 million from $233.2 million. Indiana General rose some $3.5 million to $25.5 million from $22 million. Dynamics Corp. of America was up some $16 million to $75 million from $49.2 million. Oak Mfg. romped $7.5 million ahead to $30.6 million from $23 million. Amphenol-Borg soared $20 million to $93 million from $73 million. CTS Corp. rose to $28.2 million from $21.5 million. P.R. Mallory mushroomed to $99.1 million from $85.2 million. Sprague Electric jumped nearly $10 million to $87 million from $77.3 million.

Only Tung-Sol & Standard Kollsman were down in both sales & earnings. Tung-Sol sales slipped to $64.7 million from $65.9 million, earnings sagged to $842,139 from $1.5 million. Standard Kollsman sales fell to $90 million from $104.3 million, earnings to $2.3 million from $3.2 million.

Record sales & earnings were posted by 2 companies. Dynamics Corp. of America ran sales to $75 million from $49.2 million, boosted earnings to $3.6 million from $2.1 million. International Resistance set its records with sales jump to $29.4 million from $24.7 million and profit gain to $2.5 million from $2.1 million.

Here's 1962-vs.-1961 performance of 23 representative components & tube manufacturers:

	Sales		Earnings	
	1962	1961	1962	1961
Aerovox	——	——	$ (506,909)	$ (606,568)
Amphenol-Borg Electronics	$ 93,082,750	$ 73,204,641	2,345,298	623,299
Clevite	101,175,033	91,874,140	6,562,236	5,142,689
CTS Corp.	28,245,799	21,468,189	2,153,391	1,822,734
Dynamics Corp. of America	75,014,106	49,165,655	3,572,778	2,093,596
Eitel-McCullough	——	——	750,000	486,671
Erie Resistor	——	——	1,032,449	495,050
Gabriel	31,649,503	30,304,892	1,032,594	591,049
General Bronze	18,957,533	18,641,852	(141,108)	(1,663,832)
Globe-Union	69,440,000	62,518,783	2,024,000	2,592,505
Hawley Products	7,500,000	5,880,000	400,000	104,570
Indiana General	25,501,081	22,034,915	2,076,121	1,790,663
International Resistance	29,423,449	24,717,034	2,481,698	2,088,315
P.R. Mallory	99,060,031	85,197,027	5,121,145	4,513,224
Muter	16,500,000	14,553,107	350,000	243,962
National Union Electric	39,488,498	36,517,713	1,151,694	962,214
Oak Mfg.	30,591,623	23,017,077	907,031	557,662
Sonotone	21,772,006	22,328,588	301,944	(103,726)
Sprague Electric	86,954,897	77,254,031	6,066,319	6,092,473
Standard Kollsman	89,958,321	104,289,859	2,324,816	3,189,761
Texas Instruments	240,692,588	233,223,325	8,557,200	9,446,386
Thompson Ramo Wooldridge	460,314,000	409,077,000	12,454,000	6,459,206
Tung-Sol	64,683,240	65,946,154	842,139	1,510,577
TOTALS	$1,531,004,458	$1,471,213,982	$61,858,836	$48,432,480

TV-RADIO PRODUCTION: EIA statistics for week ended March 29 (13th week of 1963):

	March 23-29	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
TV	146,086	149,775	136,529	1,754,293	1,692,859
Total radio	348,585	300,182	353,531	4,109,346	4,635,084
auto radio	142,790	121,933	119,383	1,845,109	1,650,595

Better & cheaper classroom TV sets were urged by Purdue electrical engineering school dir. Dr. William H. Hayt Jr. at recent IEEE convention in N.Y. He said conventional 23-in. home-type sets have inadequate bandwidth & audio, and they're too small & expensive. He called for sets with 29-in. screen, more bandwidth and better, front-mounted speakers—at less cost. He also urged exemption of educational sets from all-channel law —expected to be granted soon by FCC (Vol. 3:12 p7). Many manufacturers are now producing special classroom TV sets, almost all in 23-in. size. (Only presently produced larger tube is 27-in.)

Minnesota Mining & Mfg. has formed Swiss subsidiary Minnesota Mining Products A.G. at Zurich.

Delmonico's sales increased nearly 40% in 1962 to all-time high, according to annual report of parent organization Thompson-Starrett Co. The importing subsidiary's sales totaled $13,966,884 or 40% of Thompson-Starrett's gross in 1962, up from $10,087,820 (42.8%) in 1961. Report said Delmonico has sold about 50,000 AC portable 8-in. TVs since set was introduced in 1961's last quarter, and that 4,000 retail stores now handle Delmonico imports. (For Thompson-Starrett 1962 results, see financial table.)

Admiral is offering $1,000 cash & all-expense paid trip to Chicago as national grand prize for dealer portable TV display contest. Locally-prepared window or in-store displays are eligible for contest, which also will award 42 regional prizes, 3 in each of 14 geographical sections.

FAIR TRADE POT BOILS: Fair Trade action & reaction made news on variety of fronts last week. Resurgence of activity indicates that opposing forces are marshalling, and ebb & flow of contest will have decided impact on retailers & manufacturers, and on U.S. House & Senate which are contemplating various price-maintenance & "quality stabilization" bills.

Motorola-Chicago, Motorola-owned distributor servicing Chicago & 13 Illinois counties, initiated fair trading on all Motorola products April 1 (Vol. 3:13 p11). Action is especially interesting because Illinois is one of 23 states in which fair-trade agreements become binding on all dealers of a product if just one dealer agrees to hold to minimum resale prices. Even if they have signed no such agreements, other dealers of that product are subject to legal action if they sell below the specified minimum. Fair trade is legal in 18 other states—but agreements are binding only on dealers who sign. Nine states & District of Columbia have no fair trade laws.

Charles E. Green, member of Chicago law firm that set up Motorola-Chicago's fair trade program, told us "it is binding on all dealers who are customers of Motorola-Chicago," does not believe it affects other Motorola dealers in the state. He also said that Motorola-Chicago dealers who do not choose to participate in fair trade program "have no legal rights, in my opinion, and we're perfectly willing to have it tested if they're so inclined." Dealers who want out, he said, "will not be hurt. It is my belief that the company would buy their inventory. We certainly want to be fair. We're not looking to hurt anybody."

Earl G. Erickson, Motorola-Chicago vp-gen. mgr., said action was taken "to put a fair profit back into this business in return for the dealer's time, effort & investment." He made clear that fair trade program would be backed with "adequate enforcement" action.

Counter-action to fair trading bubbled in N.Y. last week when National Assn. of Consumer Organizations, Washington-based organization of 8 regional associations representing some 50 closed-door discount chains, held initial founding meeting for larger association that would recruit all so-called mass merchandisers for battle against any national or state legislation that militates against discounters. Second meeting for new over-all association is scheduled for April 29.

"If a retailer wants to sell at smaller profit, it's his privilege," is the way NACO exec. secy. Roger Courtland sums up association's objectives. NACO also will carry its fight to public via PR & education program that will emphasize to consumers the benefits that accrue to them & national economy from discount operations.

Fair Trade also took knocks last week from Pennsylvania Supreme Court, in 5-4 decision that voided penalties against Philadelphia dealer who sold Metrecal products below fair trade prices after manufacturer Mead Johnson & Co. had obtained a court injunction.

Blasting state's 1935 Fair Trade Act, Justice Michael A. Musmanno, in majority opinion, declared: "The very idea that a commercial entity may hold in one fettering price-fixing grasp all businessmen engaged in vending a certain product, just as a herdsman holds lassoed cattle on the plains, offends against the most elementary concept of a free & independent society. The Fair Trade Act is not only in derogation of the common law, it is in defiance of principles which the Federal Govt. has on countless occasions enunciated in its anti-trust legislation & litigation." He added: "Price fixing is at its best a drastic curtailment of competitive free enterprise."

Wall St. Journal also heaved brickbat at fair trading in recent interesting editorial which observed: "Fair Trade has a good sound, like 'fair play.' It certainly does not connote, for instance, 'price-fixing,' which to most people doesn't sound good at all. But the truth is that fair trade is a label in masquerade . . . all fair trade really amounts to is legalized price fixing." And, belted the *Journal*, "however this gimmick is operated, its intended victim is the consumer. The manufacturer & dealer are, in effect, conspiring to deprive him of the opportunity to shop around for the best price he can get. Just for that reason, fair-trade pricing where challenged has been repeatedly rebuffed in the courts." Pointing to success of discount houses as additional proof that fair trade has been rejected by consumers, *Journal* concluded: "It is, then, too bad that more businessmen & politicians have failed to get the message."

TV-radio manufacturers disclaim any involvement in their distributors' pricing & fair trade practices. Such matters, they say, are exclusive business & domain of distributors. Motorola, for example, told us it has no part in Motorola-Chicago's new fair trade program. It's interesting to note, also, that legalities of company-owned distributor's fair trade program were prepared not by corporate lawyers but by outside counsel, Robert Nystrom of Chicago.

We spoke, also, with 2 TV-radio manufacturers who sell direct to dealers—Magnavox & Muntz TV. Former told us that it practices fair trading in states where it's legal, and enforces it with vigorous policing. Muntz TV, conversely, has "no fixed resale prices," vp Jack Simberg told us, adding: "We're not involved with fair trade because 90% of our sets are sold in areas in which we have no dealer overlap. Our dealers set their own prices."

———■———

GE was guilty of bargaining in bad faith during 1960 contract negotiations with IUEM (Vol. 16:40 p15), a National Labor Relations Board trial examiner has held. He said GE adopted "take it or leave it" position on new contract terms which "caused & prolonged" 1960 strike "in substantial part." GE will appeal examiner's decision to full 5-man NLRB. Virgil B. Day, GE management development & employe relations services vp, said GE will continue to conduct contract negotiations "in the same spirit & with the same approach as in the past years' negotiations."

Gallo Electronics Corp., manufacturer of Gallo indoor antenna system (Vol. 3:4 p9), reported to stockholders that it earned profit of $21,489 on sales of $65,288 in Jan.—first full month of production & sales of its antenna. Total sales since company introduced system Dec. 14 came to $94,980. Pres. Carl Gallo said company will introduce 3 new products at May parts show in Chicago: Compact TV antenna; TV antenna with built-in-transistorized preamplifier; compact shortwave antenna with transistorized pre-amp.

Broadband TV-FM amplifier, for vhf & FM bands, has been introduced by Blonder-Tongue for master antenna systems, at $101.

'FOREIGN PARTS' CONTROVERSY: A radio can't be identified as an "American brand" if "parts & material essential to [its] operation" are imported A company must "clearly & conspicuously disclose" when its products are "in whole or in substantial part of foreign origin," even if assembled in U.S.

These are rather startling conclusions drawn from last week's initial decision of FTC hearing examiner in charges of misrepresentation of 1959 & 1960 TVs & radios filed against Motorola a year ago (Vol. 2:14 p9). Decision is not final, and is subject to Commission review. Motorola statement, issued after examiner's decision, said: "We do not agree with the examiner's findings and we intend to appeal."

FTC examiner Maurice S. Bush said Motorola was guilty of misrepresentation in referring to its model X23 as "American brand" because it contained essential components from Japan. He also accused Motorola of "tending to mislead the public" by failing to disclose "foreign origin of components."

If decision is upheld, it could set precedent involving almost every U.S. manufacturer of consumer electronic products—since nearly all use some foreign-made components (Vol. 3:13 p8).

Motorola was clobbered in other sections of initial decision, which termed following ad claims deceptive:

Battery life of "hundreds of hours" for some radios, 500 & 465 hours for others. (Examiner said tests showed life of 88-92 and 310-350 hours, respectively.)

Model 8X26 "has 9 times more power to select desired stations, reject unwanted stations." (Examiner said only comparison made was with earlier model, not with competing brands.)

Having model 8X26 "is like carrying a full 10-tube radio in your pocket." (Examiner said this claim implies "audio output" is equal to 10-tube radio, which he said Motorola stipulates is untrue.)

Models L14 & L12 have "revolutionary new chassis & audio system." (Examiner said Philco had marketed transistor radio with similar audio system a year earlier.)

Golden Tube Sentry system would "eliminate 3 out of 4 service calls" and "triple TV life expectancy." (Examiner said "evidence" shows unit is "utterly without value" in preventing tube failures.)

Motorola intrusion-type picture tubes last 10 times as long as conventional tubes. (Examiner said company placed major reliance on theory in this statement.)

Examiner also ruled false Motorola's statements that its Custom-Matic tuner was first to be specifically designed for remote control, that its 4-wafer cascode tuner was only one which turned out stronger signal than the one it picked up; that all of its 1960 sets had 20,000 volts of picture power & 180 volts of video drive.

Two charges against Motorola were dismissed because FTC's counsel "failed to meet the burden of proof required." They involved claims that L14 radio was "most powerful long-distance all-transistor portable available" and that its 1960 TV line was only one with completely hand wired chassis.

Philco Negotiates Otter Takeover: Philco's current negotiations to acquire stock of its Philadelphia, Newark & N.Y. distributor, John M. Otter companies, is a "specific matter between Philco & Otter and certainly does not reflect a pattern by Philco to take over independent distributors in favor of company branches," Ford's subsidiary told us last week. Transaction is not yet final, but "agreement in principle" has been reached between Philco & companies headed by former Philco vp John M. Otter.

Re hint that Otter firm had initiated separation move, John Otter told us: "I think we both agreed that it was the right thing to do." He also said it would be at least 2 weeks before he would be able to discuss his future plans. Otter has been Philco's Philadelphia-area distributor since May 1958, Newark & N.Y. since June 1960. Philco branches will be established to service those areas.

Philco pooh-poohed reports that dissatisfaction with Otter's fair trade policies is factor in separation move. "I can guarantee that fair trade has nothing to do with the matter," Philco told us. Re Philco's policies, spokesman told us company has roughly same ratio of 60 independent distributors & 30 branches Philco had at time of Ford takeover.

"We are committed to absolutely nothing, except getting the most effective distribution we can in a given area," we were told. "If that means exchanging an independent for a branch in one area, or a branch for an independent in another, we'll do it. In San Francisco recently (Vol. 3:10 p10) we exchanged an independent for a branch, but, on the other hand, our independent Los Angeles distributor took over our Phoenix branch's territory, and our Tampa independent took over 2 Florida counties formerly serviced by our Miami branch."

■

Philco employes at closed Sandusky, O. radio plant (Vol. 2:38 p9) have petitioned Tariff Commission to investigate threat of increased transistor radio imports to U.S. employment. If Commission finds that tariff concessions have resulted in import increase, the Philco workers can apply to Labor Dept. for various Federal aids. Petition for worker assistance is 2nd received by Tarriff Commission under terms of 1962 freer-trade law.

Symphonic Electronics has retained as industrial design consultants Robert Hain Associates, Plainfield, N.J. Symphonic Pres. Max J. Zimmer paid tribute to "Mr. Hain's fresh, vital & realistic approach to the design of phonographs."

Muntz TV is pilot-producing 2 color TV models for "field sampling," will have full production & distribution by Aug., we learned from vp Jack Simberg. Sets use RCA color tube. One is lowboy model slated to retail in area of $495. Other is TV-stereo-AM/FM combination in $795 area.

Packard Bell Electronics has signed licensing agreement authorizing Tokyo-based Aiwa Co. to manufacture under Packard Bell brand TV sets & other home electronic products for Japanese-only markets.

Factory sales by microwave components manufacturers totaled $75 million in 1962, EIA reported in "first accurate estimate of the industry's size."

RKO General increased earnings in 1963's first fiscal quarter, ended Feb. 28, to $2,147,488 from $1,226,074 a year ago.

Trade Personals

Oscar T. Simpson, gen. mgr. of Philco's WDL Div., Palo Alto, Cal., elected a Philco dir.

Irving Sarlin, one-time Emerson Radio executive, appointed to new post of gen. sales mgr., Harpers International Inc., N.Y., exclusive rep in 19 eastern states for Japan imported Crown home entertainment products.

C. L. McCabe, Shure Bros. manufacturer-sales mgr., also named sales mgr. for distributor sales, succeeding R. E. Ward, named mgr. of new mktg. services dept. of hi fi & electronic components manufacturer.

Milton Cohen appointed vp-gen. mgr., Hertz Rent-All Corp.

Anthony Dillon, ex-Sony & Olympic, promoted from exec. vp to pres., Tokai Corp. of America (imported radios, recorders).

———■———

AB-PT's ABC Div. contributed record income & profit to parent company's peak 1962 sales & profits (Vol. 3:12 p11), Pres. Leonard H. Goldenson notified stockholders in annual report. ABC's operating income rose to $274,523,000 from $254,280,000. ABC Films also increased sales. AB-PT closed year with total current assets of $105,540,647 vs. total current liabilities of $36,414,844, compared with $98,379,278 & $32,437,966 a year earlier. Cash slipped to $26,602,530 from $26,956,300, but U.S. govt. securities & certificates of deposit climbed to $16,805,969 from $6,695,463. Broadcasting program rights and film costs & production advances were valued at $17,741,155 vs. $15,011,005 a year earlier. Outstanding common shares rose to 4,456,427 from 4,361,376, holders decreased to 20,581 from 20,944. Common stock equity increased to $108,532,000 from $101,706,000.

Muntz TV earnings declined 21.5% in fiscal 1963's first half, ended Feb. 28, to $471,600 from $600,889 a year earlier despite 4.3% sales rise to $6.5 million from $6.3 million (see financial table). Pres. Wallace A. Keil emphasized, however, that net profit before federal taxes increased 14% from fiscal 1962's first half. "For the first time in many years," he explained, "a provision for federal taxes was required. This provision amounted to $213,209 and reduced net profit to $471,600." He termed outlook for remainder of year "excellent," added: "The most outstanding event" first half was "[our] notice to all holders of promissory notes to turn their notes in for full & final payment." Muntz TV's net worth at end of fiscal half totaled $2,711,211. Vp Jack Simberg told us Muntz TV "will start to retire this year the last of our outstanding debt—719,000 shares of $1 par preferred stock."

Zenith's 1962 salary & incentive compensation to principal officers: Chmn. Hugh Robertson, $60,000 salary & $168,470 incentive compensation, payable in 3 equal annual instalments; Pres. Joseph S. Wright, $60,000 & $168,470; exec. vp & treas. Samuel Kaplan, $50,000 & $168,470; Sales Corp. Pres. Leonard C. Truesdell, $50,000 & $168,470.

Wometco Enterprises sales rose 13% to about $5 million in the 12 weeks to March 23. Pres. Mitchell Wolfson said profits should be "larger proportionally" than year ago's $449,088 on $4.4 million sales. He forecast record 1963 sales & earnings, named TV Div. the "most profitable."

Wells-Gardner Electronics posted record 1962 sales on 18.3% rise to $29.8 million from 1961's $25.2 million (see financial table). Earnings climbed 16.6% to more than $1 million from less than $900,000. "Outlook for 1963 is favorable," noted Pres. Grant Gardner in annual report. Order backlog at beginning of 1963 totaled $8,261,000—up sharply from $5,461,000 a year earlier. Color TV is expected to boost 1963 performance. All Wells-Gardner customers, he said, are slated to be in 1963's color picture, compared with only 3 in 1962. Company has phased out unprofitable govt. R&D and industrial research division, Gardner said, and sales now are virtually 100% consumer products.

Philips Lamp sales rose 12% to $1.540 billion in 1962 from $1.362 a year earlier, produced earnings of $95 million vs. $90 million (see financial table). TV-radio-phono sales climbed 8%, sales of electron tubes increased 10%. "To some extent," Netherlands-based electronics giant reported, "the sales increase is due to a certain recovery in the production of the TV set industry in Western Europe, the excessive stocks of sets having been returned to a normal level." Geographically, Europe accounted for 76% of Philips' sales. Countries in Western Hemisphere chipped in 14%, balance of 10% was scattered.

Westinghouse's first-quarter sales & profits "won't reflect the profit-producing capability for the full year," Pres. Mark W. Cresap Jr. told annual meeting. He said later that he hadn't seen March figures and didn't know if company had covered its 30-cent quarterly dividend. "We continue to expect that the 1963 results will be superior to 1962 in terms of both billings & earnings," he emphasized. Earlier this year, he forecast 1963 sales would top 1956's record $2.009 billion.

Scripps-Howard Bcstg. Co.'s initial public offering—375,000 shares valued at $7,218,750—was sold out shortly after going on market at $19.25 a share. First Boston Corp. managed underwriting. Offering, representing some 15% of company's outstanding shares, was for 4 selling stockholders & E. W. Scripps Co. which owned 71.5% of Scripps-Howard Bcstg. common prior to sale. It now owns more than ⅔ of common.

Sony Corp. has completed public offering of 300,000 American depositary shares, at $17.25 each, through underwriting group headed by Smith, Barney & Co. and Nomura Securities Co. (Vol. 3:12 p12). Each American depositary share represents 10 shares of Sony common. Holders will participate in a dividend distribution of 9 million Sony common shares, to be made by Sony on basis of one new share for each 5 held of record April 30.

Magnavox, which scored record sales & earnings last year (Vol. 3:12 p11), closed 1962 with current assets of $74,869,597 vs. current liabilities of $35,742,165—compared with $61,264,229 & $28,550,535 a year earlier. Cash increased to $8,725,539 from $5,860,151. Total assets rose to $96,667,754 from $80,510,811. Inventories at year's end were valued at $26,140,627 vs. $18,244,878 at end of 1961.

Metromedia, which posted record profits in 1962 (Vol. 3:9 p12), closed year with total assets of $51,903,950—up from $48,564,167 a year earlier. Current assets increased to $19,393,496 from $14,064,912; cash position improved to $6,226,045 from $3,505,440. Current liabilities were listed as $14,564,585 vs. $9,426,771 at 1961's close.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Advance Ross Electronics	1962—year to Dec. 31	$ 4,531,055	——	$ 301,268	$0.43	625,220
	1961—year to Dec. 31	3,447,875	——	267,562	.41	652,220
Amphenol-Borg Electronics	1962—year to Dec. 31	93,082,750	——	2,345,298	1.69	1,388,677
	1961—year to Dec. 31	73,204,641	——	623,299	.45	1,403,678
AT&T	1963—year to Feb. 28	9,062,740,000	——	1,397,036,000	5.80	240,779,000
	1962—year to Feb. 28	8,514,233,000	——	1,302,087,000	5.55	234,683,000
	1963—qtr. to Feb. 28	2,295,271,000	——	347,803,000[1]	1.43	243,125,000
	1962—qtr. to Feb. 28	2,174,125,000	——	335,019,000	1.42	235,963,000
Audio Devices	1962—year to Dec. 31	8,177,588[1]	——	457,587[1]	.54	848,701
	1961—year to Dec. 31	7,350,710	——	308,455	.36	848,701
Clarostat	1962—year to Dec. 31	10,164,212	——	318,492	.70	484,392
	1961—year to Dec. 31	9,310,102	——	311,711	.69	484,392
Eitel-McCullough	1962—year to Dec. 31	29,451,669	——	757,392	.41	1,842,288
	1961—year to Dec. 31	27,109,945	——	486,671	.26	1,842,288
Erie Resistor	1962—year to Dec. 31	27,061,742	——	1,032,449	1.14	798,806
	1961—year to Dec. 31	23,691,861	——	495,050	.49	798,806
Filmways	1963—6 mo. to Feb. 28	136,000	——	58,036	.10	568,654
	1962—6 mo. to Feb. 28	128,000	——	(54,155)	—	568,654
Hoffman Electronics Story below.	1962—year to Dec. 31	39,678,270	$ (1,496,977)[2]	(705,977)[3]	—	1,538,888
	1961—year to Dec. 31	57,243,044	1,153,100	647,100	.42	1,538,888
Lynch Corp. (Symphonic)	1962—year to Dec. 31	31,527,971	590,602	274,602	.30	963,926
	1961—year to Dec. 31	23,561,782	869,111	579,111	.77	749,232
Oxford Electric	1962—year to Dec. 31	9,502,437	——	55,510[4]	.12	461,989
	1961—year to Dec. 31	8,854,376	——	119,173	.26	461,989
Muntz TV Story on p. 15	1963—6 mo. to Feb. 28	6,527,830	684,809	471,600	.33	1,437,482
	1962—6 mo. to Feb. 28	6,257,293	600,889	600,889	.42	1,437,482
National Video	1963—9 mo. to Feb. 28	12,265,626	——	87,411	.07	1,233,334
	1962—9 mo. to Feb. 28	14,780,412	——	870,047	.71	1,233,334
A. C. Nielsen	1963—6 mo. to Feb. 28	——	——	1,450,450	.85	1,710,000
	1962—6 mo. to Feb. 28	——	——	1,358,902	.79	1,710,000
Philips Lamp Story on p. 15	1962—year to Dec. 31	1,540,000,000	——	95,177,000	2.64	34,998,880
	1961—year to Dec. 31	1,360,000,000	——	90,000,000	—	——
Terminal-Hudson Electronics	1962—year to Dec. 31	13,917,652	290,493	162,770	.16	1,026,804
	1961—year to Dec. 31[5]	12,884,957	839,065	430,120	.42	1,026,804
Thompson-Starrett (Delmonico)	1962—year to Dec. 31	29,887,631	——	800,580	.26	2,820,145
	1961—year to Dec. 31	23,539,992	——	570,689	.18	2,731,529
Wells-Gardner Electronics Story on p. 15	1962—year to Dec. 31	29,804,664[1]	——	1,044,636	2.45	422,400
	1961—year to Dec. 31	25,199,005	——	896,458	2.11	422,400
Western Electric	1962—year to Dec. 31	2,762,104,000[1]	——	135,216,000	—	——
	1961—year to Dec. 31	2,607,777,000	——	122,244,000	—	——
20th Century-Fox	1962—52 wks. to Dec. 29	90,201,567	——	(39,796,094)[6]	—	2,545,845
	1961—52 wks. to Dec. 30	107,476,709	——	(22,532,084)[7]	—	2,446,986

Notes: [1] Record. [2] After nonrecurring year-end adjustments that resulted in $1,025,000 loss. [3] After $971,000 tax credit. [4] After special $12,264 charge relating to subsidiaries. [5] Restated to include full year of Hollywood Radio & Electronics, acquired Aug. 1961. [6] After $33.4 million "downward revision of inventory values of pictures in release at end of year & other reserves & writeoffs." [7] After $13.9 million in writeoffs & reserves but before special income of $25.5 million from sale of properties which produced 1961 net gain of $2.9 million ($1.18 a share).

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Avco	Q	$0.20	May 20	Apr. 26
Gross Telecasting	Q	.40	May 10	Apr. 25
Gross Telecasting-B	Q	.07½	May 10	Apr. 25
MPO Videotronics-A	—	.10	Apr. 15	Mar. 29
A. C. Nielsen	Q	.15	May 1	Apr. 12
Outlet Co.	—	.25	May 1	Apr. 19
United Artists	Q	.40	June 28	June 14
Wometco-A	Q	.15	May 31	Apr. 14
Wometco-B	Q	.05½	May 31	Apr. 14

Hoffman Electronics, in the red $705,977 at 1962's end (see financial table), expects to be "on a profitable basis" by mid-1963 & finish year "with a modest profit," Chmn. H. Leslie Hoffman & Pres. S. W. Horrocks reported. Operations in 1962's final quarter, they said, were on break-even basis under "new programs for tight & positive cost controls & cost savings."

Minnesota Mining & Mfg. "does no mining, but its stockholders have hit rich pay lodes in thousands of products," noted April 3 *Financial World* profile. "A key element in 3M's rise to the top has been its uncanny ability to find products which meet unfilled needs."

WEEKLY **Television Digest**

with

Consumer Electronics . . . (starting on page 7)

APRIL 15, 1963 NEW SERIES VOL. 3, NO. 15

The authoritative service for executives in all branches of the television arts & industries

WITH THIS ISSUE: Handy Pocket Directory of U.S. & Canadian Stations & Channels (Supplement).

NAB LIBRARY
APR 15 1963

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

BROADCASTERS SCORE BIG 1962 GAINS: Combined earnings of 9 independent TV-radio chains shot ahead nearly 50% to $16.9 million; sales of 8 broadcasters rose some 13% to $127.8 million. ABC, CBS, NBC, RKO General had record sales & profits (p. 1).

NEW TITLE FOR TOM—Executive vp Thomas Moore of ABC-TV, former sales and later program vp, steps into vacant presidency (p. 2).

TAFT BUYING TRANSCONTINENT, paying more than $37.5 million at $21.20 a share. San Diego & Bakersfield reportedly being spun off. Cleveland radio to stay with TTC because of FCC rules (p. 3).

RATINGS HEARINGS END—PRELUDE TO ACTION: House concludes 5½ weeks of testimony, more promised. NAB Research Committee meets in N.Y. to seek reform. Cowles & Triangle drop Nielsen (p. 3).

ANOTHER MULTIPLE RADIO OWNER INTO CATV—John McLendon planning to build or buy 10-12 systems in Southeast (p. 5).

Consumer Electronics

DISCOUNTERS GIRD FOR FAIR TRADE FIGHT: National Assn. of Consumer Organizations will argue against 'quality stabilization' bills at April 25 House subcommittee hearing; Rep. Dingell will address April 29 organization meeting of new group representing all low-margin retailers (p. 7).

U.S. PICTURE TUBE BUSINESS explored by Philips, as Amperex imports 23-in b&w tubes, sells production quantities to U.S. set maker in one-year market test; Magnavox debuts Japanese-made 16-in TV; 2-month Japan TV exports to U.S. exceed 4% of American domestic output (p. 8).

TV-RADIO SET MAKERS NET BIG '62: Nine firms that concentrate on home electronics boost sales more than $201.5 million to $1.663 billion, increase profits some $12 million to $62.1 million; 4 Canadian TV-radio firms also post big profit gains (p. 9).

BROADCASTERS SCORE BIG 1962 GAINS: TV-radio broadcasters staged sales & profit spectacular last year. Aggregate revenues of 8 companies which concentrate on broadcasting jumped nearly 13% ahead of 1961. Combined earnings of 9 companies shot ahead almost 50%. Summed up April 10 Financial World profile titled "Broadcasters Show Record Results": "Last year was a singularly good one for the industry."

Clearly reflecting their healthy glow, TV-radio broadcasters were among 6 of 72 major industrial groups whose common stock performance last year improved over 1961 (Vol. 3:4 p12). And among handful of 6 gainers, broadcasters were 2nd, with 12.2% rise. In 1961, they ranked close to bottom of the 72 groups.

Combined earnings of 9 broadcasters jumped $5.1 million to $16.9 million from 1961's $11.7 million. Aggregate revenues of 8 broadcasters rose $16.4 million to $127.8 million from $111.3 million.

Goodly number of 9 broadcasters analyzed have diversified interests, but broadcasting in all cases is a principal activity. Companies analyzed: Capital Cities, Gross Telecasting, Metromedia, Reeves Bcstg., Rollins, Storer, Taft, Transcontinent, Wometco.

Broadcasting's "Big 3" also had banner year, scored record sales & profits. ABC sales jumped nearly 7.5% to record $274,523,000. CBS's owned & operated stations boosted income 32% on 7% sales increase. NBC accounted for 22% of parent RCA's record $1.752 billion. Parents of network broadcasters—AB-PT, CBS Inc. & RCA—also posted 1962 record sales & earnings.

Network TV gross time billings last year climbed 12.2% to about $799 million from 1961's somewhat more than $712 million. It was biggest percentage jump since 1956's 20% leap over 1955 billings. Spot TV billings also reflected booming broadcast business, with 17% rise to more than $721 million from 1961's $617 million.

CBS posted networks' major billings gain with 16% increase to nearly $312 million. NBC was up 11.5% to about $282 million. ABC gained 7.7% to approximately $205 million.

Profit gains were posted by each of the 9 independent broadcasting chains analyzed, as well as the networks. We did not include in our analysis giant firms whose broadcast activities do not account for major portion of revenue & earnings. However, it is interesting to note that RKO General scored record 1962 billings & earnings while parent General Tire & Rubber declined in profit from 1961. Boston Herald-Traveler (WHDH-TV) also had profit drop, but its broadcasting operation increased its revenues to $9.5 million from 1961's $9 million.

Record earnings were scored by Metromedia & Wometco, in addition to 3 networks. Among more impressive gains: Metromedia—to $2.5 million from $1.2 million. Reeves—$72,451 from $15,283. Storer—$6.4 million from $4.5 million. Capital Cities—up a half-million dollars to $1.6 million from $1.1 million. Transcontinent TV—$1.6 million from $1.3 million.

Sales of each of 8 companies analyzed jumped from year ago, and gains in the main were impressive. Examples: Capital Cities—to resounding $17.8 million from 1961's $11.8 million. Metromedia—$53.1 million from $48.7 million. Reeves $4.7 million from $4.3 million. Rollins, in 9 months to Jan. 31—$5.9 million from $4.7 million. Wometco—$18.7 million from $16 million.

Here's 1962-vs.-1961 performances of 9 representative broadcasters:

	Sales		Earnings	
	1962	1961	1962	1961
Capital Cities Bcstg.	$ 17,825,467	$ 11,803,781	$ 1,576,320	$ 1,088,197
Gross Telecasting	2,610,095	2,492,554	662,648	582,952
Metromedia	53,069,751	48,653,186	2,489,639	1,164,267
Reeves Bcstg. & Development	4,719,016	4,340,240	72,451	15,283
Rollins Bcstg. (9 mo. to Jan. 31)	5,915,663	4,661,990	436,419	356,186
Storer Bcstg.	——	——	6,353,326	4,453,681
Taft Bcstg. (9 mo. to Dec. 31)	9,329,842	7,973,358	1,827,379	1,379,810
Transcontinent TV	15,644,254	15,464,000	1,620,583	1,331,179
Wometco Enterprises	18,723,132	15,999,469	1,831,254	1,353,255
TOTALS	$127,837,220	$111,388,578	$16,870,019	$11,724,810

A TITLE ON THE DOOR . . .: Bigelow on the floor is possibly least of new ABC-TV pres. Tom Moore's problems. He was busy being congratulated last week in N.Y. for finally (after a year-plus) being named to network's top title, vacant since departure of Ollie Treyz.

Moore is quiet, solid executive with none of flash of some of those—like McCann-Erickson's Pat Weaver or ex-CBS program boss Hubbell Robinson—who had been rumored for ABC-TV presidency. Moore received final approval of board April 8.

Moore has been on network's front-office team since 1956, when he joined as sales vp and later succeeded another fast-rising executive, CBS-TV's Jim Aubrey, as head of ABC-TV's programming. In fact, it was Moore who mapped out far-from-conservative blueprint for ABC's fall TV lineup, which has more new programs (nearly 19) than any other network.

Moore's air of dignity, coupled with reassuring smile and gentle manner, sometimes make people think he could pass for a member of clergy who had Madison Ave. tailor. This impression is not far-fetched, actually; at one time Moore was an executive of one of Hollywood's great tourist attractions—Forest Lawn Cemetery.

N.Y. TV scene witnessed other executive changes last week. Fred Silverman, at 25, became CBS-TV daytime programs dir. His most recent experience was 8 months with WPIX N.Y. as supervisor of live programming. Before that, he spent 3 years in program dept. of WGN-TV Chicago. N.Y. Times reported that a year ago, while with WGN-TV, he submitted to CBS-TV a lengthy analysis of 1962-63 program schedule. This did not necessarily win the job for him, but his name was remembered.

Richard Heffner, vp & gen. mgr., ETV WNDT N.Y., was removed from position in economy move. Station, 6 months old, is facing financial difficulties. Pres. Dr. Samuel Gould will assume Heffner's duties. NBC last week approved contribution of $100,000 to WNDT; CBS gave $100,000 week earlier (Vol. 3:14 p6). Both made initial contributions of $250,000 to help educators buy station.

TAFT BUYING TRANSCONTINENT: In largest transaction to date, Taft Broadcasting announced plans to purchase Transcontinent Television Corp. for more than $37.5 million—paying $21.20 per share for 1,770,512 shares. With assumption of liabilities, total price will be about $40 million.

Two stations must be sold to keep within ceiling of 5 vhfs, 2 uhfs. It's understood San Diego & Bakersfield properties are to be spun off—and that at least 5 qualified buyers are fighting for position now. Offers up to $10 million reportedly have been made for KFMB-TV-AM San Diego, $1.5 million for KERO-TV Bakersfield. Speculation has it that the many organizations bidding include: Storer, Triangle, Cowles, N.Y. Times, Gene Autry, Shasta Telecasting.

Taft owns: WKRC-TV-AM-FM Cincinnati; WTVN-TV-AM-FM Columbus; WBRC-TV-AM-FM Birmingham; uhf WKYT-TV Lexington, Ky. First 2 are ABC-TV affiliates; other 2 are ABC-TV & CBS-TV. All are represented by Katz, except WKYT-TV which is sold nationally by Venard, Torbet & McConnell.

Transcontinent owns: WGR-TV-AM-FM Buffalo; WDAF-TV-AM-FM Kansas City; KFMB-TV-AM San Diego; uhf WNEP-TV Scranton; KERO-TV Bakersfield, which will be uhf by July 1; WDOK-AM-FM Cleveland. WGR-TV, WDAF-TV & KERO-TV are NBC-TV; WNEP-TV is ABC-TV; KFMB-TV is CBS-TV. All are represented by Petry.

TTC would keep WDOK-AM-FM, which it purchased for $1.4 million in May 1962, can't sell until May 1965. Stock is valued at 80 cents a share.

TTC pres. David C. Moore said 12-member board has approved deal. It's assumed annual stockholder meeting in Buffalo April 25 will approve sale.

Purchase would place Taft in top-rung position among group owners because of size of markets. Spokesman said, however, he didn't think Taft would follow road taken by other major groups in representing owned stations for national sales.

RATINGS HEARINGS END—PRELUDE TO ACTION: Although curtain came down on 5½ weeks of House testimony on accuracy & influence of ratings, it looks as if it's only start of research controversy:

(1) Chmn. Harris (D-Ark.) left door wide open for renewed Subcommittee activity after Easter recess.

(2) NAB's top-drawer Research Committee met last week in N.Y., made special unspecified assignments to committee members, will meet again in 1-2 weeks.

(3) Amid strong charges against Nielsen of restraint of trade & monopoly—and mounting evidence of weaknesses in its system—Cowles and Triangle cancelled Nielsen contracts.

Witnesses who testified earlier—James Seiler of ARB and Albert Sindlinger of Sindlinger & Co.—were recalled to stand last week. Both were questioned about legal settlements they made with Nielsen, as probers tried to show Nielsen attempts to monopolize national ratings.

Sindlinger told of Nielsen "master plan" he uncovered through former Nielsen employee. Book-size memo was written in 1947-48, he said, by Chmn. A. C. Nielsen Sr. & Henry Rahmel, exec. vp. Sidlinger said it blueprinted how company would one day dominate broadcasting, magazine & newspaper research through patents & fee manipulations. Nielsen denied existence of such plan.

Sindlinger said he believed threatened public disclosure of "master plan" through court subpoena was one reason Nielsen wanted to settle Sindlinger suit out of court. Sindlinger had sued Nielsen for $2.5 million in 1950, charging firm tried to drive him out of business. He had developed radio measuring device called Radox, said Nielsen was frightening financial backers with threats of patent infringement suits.

Suit was settled out of court. Sindlinger received $75,000, gave up Radox. He added that he was convinced actual listening couldn't be measured by mechanical device anyway.

Sindlinger also testified about phone call from Nielsen to late Edgar Kobak, one-time head of Advertising Research Foundation, at 1952 NBC Radio affiliates meeting. He said he eavesdropped, heard Nielsen say: "It is your duty to stop Mr. Sindlinger at all costs." Sindlinger said Kobak was a Nielsen stockholder with stock in wife's name.

ARB's Seiler recounted his legal battle with Nielsen over electronic device Arbitron. Seiler said company in 1955 looked into its development after ARF held that a mechanical device along with fixed sample—

such as Nielsen's system—was most effective methodology. Richardson quickly entered into record fact that Kobak, head of ARF, had been Nielsen stockholder.

In about 2 years, Seiler testified, ARB had full Arbitron sample in N.Y. plus partial samples in 6 other markets covering about 24% of population, had plans to go national, had contracts from 3 networks. In 1957 or 1958, Nielsen filed patent infringement suit. After ARB spent $250,000 in litigation, suit was settled out of court in Oct. 1961, about 5 months after ARB merged with CEIR. Agreement called for 5% royalty to Nielsen on all Arbitron reports.

Seiler stated that main reason CEIR wanted to settle was high legal costs. He also said that legal costs to ARB were major factor in merger and that money drained off contributed to dropping of national Arbitron plans.

Under questioning by staff investigator Robert Richardson, Seiler revealed new troubles with Nielsen. Last year, ARB published very complete national audience composition report in which comparable Nielsen service was "not competitive," he said. ARB charged each network $2,500. This year, Nielsen improved service, charged networks about $1,200. Seiler said ARB had little choice but to cut prices to $1,300, adding that service is no longer profitable.

"We definitely will drop it in future if we don't get more support," Seiler said. He agreed with Subcommittee contention that low Nielsen prices were set for competitive reasons, not because it is more efficient.

Seiler also confirmed that he is doubling all samples across the country as most immediate remedial step ARB can take. He said that disclosures during the hearing prompted the action.

Harris concluded hearings with call for "drastic and radical" changes. He said: "I have no question in my mind as to the need for some real thoughtful consideration for action." He said rating services—some well-intentioned, some not—control "one of America's greatest industries." Harris asserted that "amazing revelations" of 3 former Nielsen field men verified Subcommittee contentions that something is seriously wrong. Subcommittee members also heaped high praise on work of investigators Richardson & Rex Sparger, under Charles Howze, chief counsel.

It's expected that FCC, FTC, possibly Justice Dept. and others will be called to testify after Easter recess. Harris refused to enter into record letter from A. C. Nielsen Jr., said he could have chance to testify. Subcommittee gave him opportunity 2 weeks ago, supposedly based on his request. But when Subcommittee was ready for him, he had already left town, Harris said.

We've learned that letter defends Nielsen service on basis of economics, says firm can provide any degree of accuracy industry wants to support.

It's up to industry to decide if it wants "breast of guinea under glass for $10" or a "good fried chicken dinner for $1.95," letter states.

In dropping Nielsen, Cowles pulls out KRNT-TV Des Moines and Look & Family Circle magazines. Triangle pulled out 4 TV stations. Cowles said it was unhappy over hearing disclosures and fact that Nielsen hasn't answered 2-week-old letter asking how surveys are conducted. Nielsen shot back that Cowles was dropping out because Look didn't show up favorably in recent National Magazines Study.

NAB is out to take leadership in ratings reform. Research Committee, under WBC's Donald McGannon, has made assignments to members. Presumably, NAB will try to coordinate all elements of business—stations, networks, representatives & clients, as well as research services.

Advice from top-level research academicians will be sought. It's reported that Herbert Hyman, Columbia U., who worked on Madow Report, may be hired as consultant. Other 2 members of that study are already committed; William Madow, Stanford U., has worked with Nielsen, Raymond Jessen with CEIR.

Nielsen is preparing large-scale subscriber meetings in N.Y. & Chicago, may open them to press.

"Radio's most pressing problem" is research, RAB Pres. Edmund C. Bunker said last week in announcing RAB will be ready to begin discussions with Advertising Research Foundation for consultation on study of radio research. He renewed invitation to NAB to participate financially & administratively, but added: "This is a radio project and it will be directed with the interests of radio in mind. We will, however, be happy to furnish to TV, after completion of the project, copies of the report and anything of value."

JOHN McLENDON RADIO GROUP INTO CATV: Comes now another radio multiple-station owner, John McLendon, into CATV field, further breaking down wall between the 2 kinds of services—and further complicating NAB's life.

Owner of 5 southern radio stations, McLendon aims to concentrate in Southeast, build or buy 10-12 systems initially. McLendon has retained Fred R. Rutledge as exec. vp & operational mgr. of new subsidiary, McLendon Cablevision Co., Milner Bldg., Jackson, Miss. Rutledge managed H & B system in Muscle Shoals, Ala., and Jerrold systems in Cal.

Rutledge said plans call for "rather extensive" investment in field, including installation of microwave to bring signals from cities such as New Orleans & Atlanta. Markets involved haven't been identified yet. Rutledge said firm is concentrating initially in communities of 6-20,000 population, noting that "the bigger cities have been pretty well culled over." He said aim is to have systems in groups, each group managed centrally. "This is as efficient," he said, "as managing a single very large system."

John McLendon (not to be confused with Gordon McLendon group) owns radio WENN Birmingham, WOKJ Jackson, KOKA Shreveport, KOKY Little Rock, WYOU Tampa.

Among influential & substantial broadcasters now in CATV: Cox Stations, Bcstg. Co. of the South, RKO General, Triangle Publications, Mrs. Lyndon Johnson, J. Elroy McCaw. Until recently, NAB had no trouble opposing CATV, fearing encroachment on station income. Its job is getting tougher, as more & more prominent broadcasters decide that CATV seems to be inevitable—and profitable.

Color is twice as effective in TV commercials as same message in b-&-w. So stated P. Lorillard & Co. Pres. Morgan J. Cramer last week to shareholders meeting in discussion of advertising policies. Among "built-in-values" for color TV, he said, was that "our technicians are able to extract from a color film negative a b-&-w positive of excellent quality; thus, all of our Kent and Newport commercials are currently being shot in color." At annual meeting of rival Philip Morris, cigaret-industry news of another sort came from Pres. Joseph F. Cullman III, who said his firm, recently diversified into shaving products field, is further spreading, acquiring Clark Bros. Chewing Gum.

Churchill honorary-citizenship ceremonies at White House, sent to Europe via Relay satellite, were received with excellent quality, and spokesman for Churchill said: "Sir Winston was deeply moved. He retired immediately after the broadcast." Normally, the 88-year-old Sir Winston stays up late, talking & cocktailing. Program was fed to France, Holland, Austria, Belgium, W. Germany. Hungary & Czechoslovakia telecast it, too—first time communist bloc has accepted U.S. satellite TV transmission.

Plans for new NAB hq in Washington, on property next to present building, will be recommended by committee headed by Clair McCollough, Steinman Stations, including: Ben Strouse, WWDC Washington; Ben Sanders, KICD Spencer, Ia.; Joseph Baudino, Westinghouse; Payson Hall, Meredith.

Forfeitures for "teaser" announcements, which failed to identify sponsors, are proposed by FCC for Lafayette, La. stations KLFY-TV ($1,000) and radio KPEL & KXKW ($250 each). Stations had carried discount store commercials saying: "On May 23rd, prices in South Louisiana are coming down"—without giving sponsor's name.

San Juan, P.R. is site of annual meeting of Assn. of Federal Communications Consulting Engineers May 9-12, at Caribe Hilton.

Close check on TV stations is being maintained by growing number of major agencies & advertisers concerned with correct scheduling of spot TV commercials. Young & Rubicam paved way with recent signing of Broadcast Advertisers Reports to monitor stations in top markets. Now, 12 more major agencies, handling business for Procter & Gamble. General Foods and Brown & Williamson (Benton & Bowles, Grey, Compton, Lennen & Newell, et al.), have signed for similar monitoring, are already warning station reps that BAR reports may be used in lieu of affidavits in station spot billing.

Radio Month kit with theme, "Radio . . . the Mobile Medium," is being distributed to NAB's 1,977 radio members for use in May. Kit includes: Spot announcements, graphic artwork, programming & promotion ideas, manufacturer tie-ins, news releases, special mailing stamps, window displays, 20-minute speech text. Highlights of material are 2 discs of specially-prepared jingles keyed to theme.

Sale of WDBO-TV (Ch. 6) Orlando, with WDBO & WDBO-FM, to Outlet Co. for $6.1 million, by the trustees for estate of William S. Cherry Jr. (75%) and the 3 minority stockholders has been filed with FCC. Outlet Co. (dept. store) operates WJAR-TV (Ch. 10) & WJAR Providence. Three years ago, William S. Cherry group sold WPRO-TV-AM-FM Providence to Capital Cities for $6,508,808 (Vol. 15:11 p5).

Network debut of 4-vidicon color camera came on Easter Sunday, when ABC-TV presented colorcast of 60-min. *Close-up* documentary on The Vatican. New GE 4-vidicon film chain, developed jointly with ABC (Vol. 3:14 p3), was used for first time. Film camera uses one tube for b-&-w (luminance) signal and 3 for colors (chrominance).

NBC News on July 1 opens bureau to cover Common Market developments with hq in Brussels, headed by veteran newscaster John Chancellor.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington 6, D. C.
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook
VIRGINIA SNOWDEN, Managing Editor, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director
CHARLES SINCLAIR, Contributing Editor

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

TELEVISION DIGEST. Published Mondays. Services: $75-$150 annually. For group rates & other subscription services, write Headquarters.
TELEVISION FACTBOOK Published Annually
TV & AM-FM ADDENDA Published Saturdays
AM-FM DIRECTORY Published Annually

Personals

Franklin Rohner, business affairs dir., CBS-TV Network, Hollywood, assumes complete responsibility for dept., reporting to **Salvatore Iannucci Jr.,** business affairs vp, N.Y. **Merritt Coleman** appointed contracts, music & rights dir., Hollywood.

Charles W. Barrickman promoted to sales mgr., ABC TV Spot Sales, Los Angeles, succeeding **Richard Bessemyer,** who moved to WABC-TV N.Y. as gen. sales mgr.

FTC promotions: Chalmers Yarley, Trade Regulations Rules Div. chief, to Industry Guidance Bureau dir.; **Sherman Hill,** asst. to gen. counsel, to attorney in charge of special legal assts.; **W. A. Bailey,** asst. to gen. counsel, to asst. gen. counsel & Export Trade Div. chief; **H. Paul Butz,** attorney-advisor, Trade Regulations Rules Div., replaces Yarley. Yarley succeeds **Bryan Jacques,** resigned to become House Small Business Committee staff dir.

William F. Jibb, veteran newsman who recently owned PR firm in Fla., previously served as exec. vp of Associated Industries of Fla., named FTC dir. of information, succeeding **Seymour F. (Sam) Stowe,** retired on medical disability.

Robert M. Clark elected pres., Vumore Co., RKO General CATV subsidiary separated from Video Independent Theatres. **Kenneth Blackledge** elected VIT pres., succeeding **C. O. Fulgham,** elected chmn.

Joseph J. Kontuly, ex-market sales promotion mgr., Minneapolis-Honeywell Industrial Products, appointed asst. advertising & sales promotion mgr., Jerrold Electronics.

Lambert Howard named WFIE-TV Evansville chief engineer, succeeding **Paul Kelley** who moves to WLKY (TV) Louisville in similar post.

William A. Hosie, corporate publicity & broadcast advertising dir., Hill & Knowlton, elected vp . . . **Gerald Mandel** promoted to marketing dir., Sterling Educational Films Inc. & Continental 16 Inc., subsidiaries of Walter Reade/Sterling . . . **Michael Denson,** ex-*Look* circulation promotion dept., named SMPTE information services dir.

Thad Sandstrom, WIBW-TV Topeka gen. mgr., elected vp. . . . **Hugh Del Regno,** ex-business affairs dir., WNBQ & WMAQ Chicago, named KHJ-TV-AM Los Angeles controller.

Eugene C. Wyatt, one-time ABC-TV national sales mgr., appointed United Artists TV account exec . . . **John Schermerhorn,** WKOW-TV-AM Madison sports dir., adds job as sales promotion & PR mgr.

Obituary

Frank Boucher, 62, Washington regional mgr. of *TV Guide,* died April 6 of kidney infection at Doctors Hospital. He joined magazine in Washington in 1953, after career in motion picture distribution. He had been gen. mgr. & a partner of K-B Theatres; exec. asst. to Louis W. Schine of Schine Theatres; gen. mgr. of Dominion Theatres, a Paramount div.; district mgr., Warner Bros. Theatres. He is survived by his wife.

Ban the Bangtails: FCC has proposed new rules designed to eliminate broadcast of horse-racing information "of substantial use to persons engaged in illegal off-track gambling." Commission would allow broadcast of horse-race data only if: (1) It's done no oftener than once every 2 weeks. (2) It's for race with purse over $25,000—because such major races have national interest. (3) No more than 2 special races "of local importance," such as events at fairs, are carried yearly.

Cal. atheist Robert H. Scott was again slapped down by FCC which rejected his petition claiming NBC's radio KNBR San Francisco improperly refused him time to discuss atheism. Commission said that stations hadn't broadcast anything "directed against you or against the position which you espoused"—and therefore Scott hadn't been "denied the opportunity for the presentation of a controversial issue of public importance."

New FCC Comr. Cox has selected most of staff: **Allen Cordon,** FCC TV translator specialist, to be legal asst.; **Martha P. Shaffer,** who was a secretary for Senate Commerce Committee when Cox served Committee, to be confidential asst.; **Frances R. Jarvis & Elizabeth N. Harris,** secretaries. Engineering asst. hasn't been named.

Oscarcast wowed 'em in N.Y., according to overnight Nielsen check made last week for WABC-TV. Eye-opening 78% of N.Y.-area homes sat up to watch Academy Awards handed out, delivering average rating of 55.6. Multi-city reports won't be ready until this week, but ABC-TV already considers show major success.

Power hike above 50 kw is again sought by Clear Channel Bcstg. Service which asked FCC to start rule-making to consider 500, 700 & 1,000 kw. It asked for oral argument on petition.

New CPs granted: Ch. 7 & 9, El Centro, Cal., to KXO and Tele-Broadcasters of Cal., respectively.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

DISCOUNTERS GIRD FOR FAIR TRADE FIGHT: Discounters will carry their fight against "quality stabilization" & other types of price-maintenance legislation before an April 25 meeting of House Commerce Subcommittee. Mouthpiece for discounters will be Washington-based National Assn. of Consumer Organizations, "the only group on the national level for low-margin retailers," we were told by NACO exec. secy. Roger Courtland (Vol. 3:14 p13). Subcommittee will hold public hearings April 23-25 on HR-3669 (Quality Stabilization) & similar bills, and NACO appears April 25.

"'Quality Stabilization' is straight price fixing, getting by on a false name," we were told by ex-Philadelphia PR executive Courtland. "The price of a product has nothing at all to do with its quality. If a low-margin retailer wants to sell, say, a Cadillac at a lower price, that lower price doesn't change the Cadillac's quality one whit."

NACO's Congressional appearance likely will be its last as national spokesman for discount industry. "It's bowing out of the national scene," Courtland told us, in favor of a much larger organization which will represent all sizes and types of low-margin retailers. NACO is organization of closed-door (membership) discount department stores, "and it isn't fair for them to continue to carry the ball for the entire discount industry," he said.

Organization meeting of larger group will be held April 29 in N.Y., at Statler Hilton Hotel. Rep. Dingell (D-Mich.) will be keynote speaker. Meeting will serve to name new organization, elect officers, establish procedures for raising funds to: (1) Intensify fight against national fair trade legislation and (2) Educate public via large-scale PR program on benefits of discount retailing.

"I believe we can be an effective group with an initial membership of 20 companies & 10 to 20 major lessees," Courtland told us. "Once started, we should be able to add 30 to 60 new members in 6 months." Initial meeting of new group April 9 "was poorly attended," he said, "but only because it was a hurry-up get together. In addition to the 9 or 10 discount organizations that attended, we had evidence of interest from at least 20 others." Initial attendees, who included such discounting giants as GEM International, Zayre, National Bellas Hess, Maxam, are underwriting April 29 meeting.

NACO was formed in California 6 years ago. It now comprises 8 associations representing some 50 stores. It will continue to function under its original name & concept from new California hq. "Some of NACO's members already have indicated their intention of joining the new all-embracing group," Courtland said.

Summing up discounters' arguments against fair trading, Courtland told us: "In areas where fair trading is legalized, the over-all cost of products is 28% higher than in non-fair trade areas. There's also a greater percentage of bankruptcies in those areas. This certainly explodes the myth that fair trading protects the small retailer."

In other fair trade news last week, Philco distributor John M. Otter Co. went to court to obtain preliminary injunction to prohibit Philadelphia retailer Charles J. Kriebel & Sons from selling Philco products below fair trade minimums. Case was postponed to April 24, however, because Otter shopper was busy having a baby, Otter spokesman told us.

"Sure we sold under the fair trade minimum," we were told by Kriebel, a Philco dealer for nearly 30 years. "We sold one $149.95 Philco TV set for $5 under the price, and it's the last Philco TV set we're going to handle. The set was a floor model, marked up and with its ear plug missing. The ear plug alone is worth $4-5. It was a one-only set, and we wanted to get rid of it. The Otter shopper baited our salesman, who happened to be a part-time man, incidentally, and he let it go for $5 less. We've been selling Philco TVs at our 2 Philadelphia stores for a long time, and I'm not a whining dealer. But they certainly made a federal

case out of this one marked-up set with a missing ear plug. I happen to believe that fair trade is wonderful —but it's effective only if all dealers comply & if competitive brands in your area also are being fair traded."

In Harrisburg, Pa., Penn Appliance Distributors, Motorola distributor in 15 central counties, initiated fair trading April 8. Pres. Elmer A. Groene Sr. said dealers favor some type of price protection by 50 to 1, added that his firm is prepared to take legal action against willful violators of new fair trade pricing on Motorola TVs & stereo phonos.

PHILIPS EXPLORES U.S. PICTURE TUBE BUSINESS: Europe's huge electronics complex, Netherlands-based Philips Lamp Works, is making serious exploration of picture tube exports to U.S., and is already supplying one American set manufacturer with production quantities of 23-in. black-&-white tubes, in one-year test of U.S. market.

Doing actual market testing is Amperex Electronic Corp., Hicksville, N.Y., subsidiary of North American Philips, U.S. manufacturer of semiconductors & special-quality tubes, which has been meeting considerable success in supplying imported Philips receiving tubes to U.S. TV manufacturers.

Picture tube now being imported by Amperex is "heavy" (non-bonded) 23-in. b&w with 110-degree deflection (23MP4). Although Amperex officials declined to state quantities being brought into U.S., it's believed initial shipments have totaled 2,000-2,500 tubes.

"We are doing some test marketing in the OEM picture tube field," we were told by Amperex entertainment tubes & semiconductors product mgr. Edgar Meagher in answer to our query. "By the end of this year we'll decide whether to continue this activity. We have accepted some purchase orders and are supplying against them, but we are still very much in the learning process."

Although Amperex is not publishing price lists on picture tubes and is supplying only one manufacturer, Meagher said other set makers have shown interest. Amperex's Philips picture tube is priced same as domestically made 23-in. tubes of similar type, said Meagher, but company claims design of tube makes possible reduction in circuit costs—such as use of half-wave rectifiers—without sacrificing performance. Principal difference from U.S. tubes, Meagher said, is in gun design. Philips tube being offered here is full-voltage type—not low-drive tube.

Will Amperex go into color tube business? Hardly likely for some time. Meagher told us that Philips is now in pilot lab run of 21-in. round 70-degree color tubes, in anticipation of start of regular colorcasting in Britain in 1964, in Germany in 1965.

Meanwhile, Amperex is stepping up imports of TV receiving tubes, based on several new types. Dutch receiving tubes first received widespread acceptance here on basis of frame-grid technology, now are widely used in high-frequency portions of U.S. TV sets. Amperex claims substantial share of American TV tuner tube business, has extended activity into tubes for IF stage sockets, and "this year we'll be active in deflection circuits," according to Meagher.

• • • •

Another U.S. TV manufacturer has turned to Japan for low-end sets to sell under its own brand name, meanwhile. Magnavox last week announced entry into 16-in. field with compact "Vacationer" at $129.90. Company spokesman said set's cabinet & chassis have been designed by Magnavox and are being manufactured by "Japanese contract source" (not identified). Some of Magnavox's transistor radios have been made in past by Nippon Electric. Olympic & Symphonic are other U.S. set makers now importing receivers from Japan—in 16- & 19-in. sizes.

Step-up in shipments of TV sets from Japan to U.S. was evident in Japanese govt. statistics on exports for first 2 months of this year—showing total of 52,578 units shipped, or more than 4% of U.S. TV production for same 2 months. Of total, 16,924 were transistor sets, 35,654 conventional tube models. In month of Feb., average declared price of transistorized set was $81.90, of tube set $41.65 (latter category includes shipments of raw chassis and sets without picture tube).

TV-RADIO SET MAKERS NET BIG '62: Sales & profits mushroomed last year for most manufacturers of home electronic equipment. There were few surprises. From 1962's opening quarter on, indicators were clear that banner year was in the making.

Our analysis of 13 U.S. & 4 Canadian TV-radio set manufacturers shows, in capsule form: (1) Aggregate sales & profits markedly ahead of 1961 levels. (2) Six manufacturers set sales records. (3) Four had peak profits. (4) Thirteen of 15 improved sales, many by sizable margins. (5) Fourteen of 17 manufacturers increased earnings. (6) All finished in black.

Nine manufacturers that concentrate on home electronic products boosted 1962 sales more than $201.5 million—to $1.663 billion from 1961's $1.461 billion. The 9: Admiral, Andrea, Arvin, Emerson, Magnavox, Motorola, Sylvania, TraVler, Zenith. Combined 1962 earnings boomed to $62.1 million—up nearly $12 million.

Record sales & earnings were posted by both Magnavox & Zenith. Motorola had record sales. Only Andrea & TraVler failed to improve sales. Andrea, TraVler & Admiral wound up with profit declines, but color was a major culprit. Both TraVler & Admiral noted heavy expenses for expansion of color facilities.

Heavy sales & profit gains were racked up by 4 giant multi-product companies which depend upon home electronic products for only a portion of over-all volume. Combined 1962 sales of GE, GT&E (Sylvania), RCA & Westinghouse skyrocketed some $683 million—to $9.826 billion from 1961's $9.143 billion. Their aggregate profits rose approximately $64 million—to $460.7 million from $396.8 million.

Record sales & earnings were registered by GE & RCA. GT&E also had record sales. Each of the 4 multi-product giants improved both sales & earnings over 1961.

Profit progress also was rampant north of the border. Canadian Marconi, Canadian Westinghouse, Clairtone & Dominion Electrohome each posted impressive gains over 1961 to push their aggregate earnings to $3.6 million—compared with 1961's combined loss of $2 million, stemming from Canadian Westinghouse's $2.6 million loss. We obtained 1962 sales only of Clairtone & Dominion Electrohome—and both were impressively ahead of 1961 performance. Their combined sales improved to $28 million from $19.8 million.

Profit gains of the 14 companies that improved earnings in 1962 were impressive in the main. RCA shot ahead 45% to record $51.5 million from $35.5 million. Magnavox zoomed 41% to record $12.7 million from $9 million. Motorola climbed 28% to $12.2 million from $9.5 million. Sylvania improved to $8.7 million from $5.6 million. GT&E was up 17% to record $86.3 million from $73.8 million. Westinghouse boomed 25.6% to $57 million from $45.4 million. Canadian Westinghouse reversed 1961's $2.6 million loss with $1.2 million profit. Canadian Marconi skyrocketed to $1.6 million from $48,573. Clairtone more than doubled earnings.

No less impressive were gains of 13 firms that improved sales. Magnavox soared 43% to record $202 million from $141 million. Motorola was up 16% to record $346.9 million from $298.2 million. Zenith climbed 14% to peak $312.2 million from $274.2 million. RCA romped 13% ahead to record $1.752 billion from $1.546 billion. GE boosted sales by more than $300 million to record $4.793 billion from $4.457 billion. Clairtone nearly doubled sales to $6.7 million from $3.5 million. Dominion Electrohome gained nearly $5 million to $21.2 million from $16.3 million. Emerson jumped nearly $10 million to $80.4 million from $70.9 million.

Here's 1962-vs.-1961 performance of 9 volume producers:

	Sales		Earnings	
	1962	1961	1962	1961
Admiral	$ 201,505,441	$ 186,885,235	$ 2,459,020	$ 2,915,265
Andrea Radio	5,760,965	6,769,547	318,079	360,245
Arvin	95,343,000	73,701,000	3,582,000	2,432,000
Emerson (year to Oct. 31)	80,371,180	70,903,466	2,278,159	1,851,684
Magnavox	202,000,000	140,800,000	12,700,000	9,000,000
Motorola	346,881,779	298,219,845	12,192,862	9,517,308
Sylvania (estimated)	400,000,000	390,000,000	8,700,000	5,600,000
TraVler (9 mo. to Jan. 31, 1963)	18,557,000	19,676,000	233,000	570,000
Zenith	312,212,334	274,167,987	19,637,068	18,014,788
TOTALS	$1,662,631,699	$1,461,123,080	$ 62,100,188	$ 50,261,290

	Sales		Earnings	
	1962	1961	1962	1961
Here's 1962-vs.-1961 performance of 4 multi-product giants:				
GE	$4,792,732,530	$4,456,815,169	$265,843,769	$242,078,957
GT&E (Sylvania)	1,327,925,000	1,226,584,000	86,269,000	73,774,000
RCA	1,751,646,000	1,545,912,000	51,535,000	35,511,000
Westinghouse	1,954,479,000	1,913,770,000	57,061,000	45,446,545
TOTALS	$9,826,282,530	$9,143,081,169	$460,708,769	$396,810,502
Here's 1962-vs.-1961 performance of 4 Canadian home electronics manufacturers:				
Canadian Marconi	———	———	$ 1,553,900	$ 48,573
Canadian Westinghouse	———	———	1,230,605	(2,607,340)
Clairtone	$ 6,726,675	$ 3,523,075	289,883	125,471
Dominion Electrohome	21,198,502	16,321,850	512,925	397,981
TOTALS	$ 27,925,177	$ 19,844,925	$ 3,587,313	$ (2,035,315)

TV-RADIO PRODUCTION: EIA statistics for week ended April 5 (14th week of 1963):

	March 30-April 5	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV	137,985	146,086	126,241	1,883,167	1,815,814
Total radio	350,536	348,585	351,710	4,553,213	4,987,041
auto radio	169,786	142,790	138,388	2,109,009	1,755,090

Admiral will make 75,000-100,000 color sets this year, Chmn. Ross D. Siragusa told annual meeting in Chicago last week. Possible shortage of color tubes, he said, would be only deterrent to industry sales of 700,000 color sets. He said Admiral's first-quarter sales were higher than year ago, but it was too early to estimate earnings. Citing "very noticeable increase in sales activity since early March," he predicted higher sales & earnings for full year. He said losses sustained by Admiral's now-closed Italian subsidiary "are behind us and will not affect 1963 operations," and noted that Admiral has concluded Italian licensing agreement with Radio Televisione Electronica. Questioned about report in *Television Digest* that Admiral will introduce 11-in. set (Vol. 3:11 p7), Siragusa replied company is now experimenting and may introduce small size later in year. He said there is no truth to rumor Admiral may be acquired by Chrysler.

RCA exhibit at N.Y. World's Fair will be geared to color TV, with spectator-type color TV program center feeding closed-circuit programs to about 200 color receiving points throughout fairgrounds. Announcing details of exhibit, RCA Pres. Dr. Elmer W. Engstrom said it will show world "the status & stature of color TV." RCA International Div. vp James M. Toney, who has completed work on company's Italian project, and has been assigned as World's Fair participation dir. for RCA, said company would produce 2,000 hours of color shows each season for the CCTV system. Other features of RCA display: (1) "See-yourself-in-color" demonstration. (2) Color mobile unit which will roam fairgrounds. (3) Stereo listening rooms.

Packard Bell has licensed Aiwa Co., Tokyo, to produce & market its black-&-white TV sets on Japanese domestic market.

RCA TV sales set all-time high in first quarter, RCA Sales Corp. Pres. Raymond W. Saxon announced last week. Color TV sales were 30% higher than year ago, portable TV up 37%. Company's total home instrument volume, Saxon reported, reached best level in 12 years, exceeding first-quarter 1962 volume by 10%. Portable phono sales so far are running 20% better than last year, he added, while "FM & FM-AM radios sparked over-all RCA Victor radio sales at the distributor level to an 11% increase over the first quarter of last year." Tape cartridge recorder sales were up 30%.

Preparing for color debut this summer, Motorola is now conducting color TV servicing program for service technicians. Set used for training has 27-tube horizontal hand-wired chassis, 21-in. round picture tube, which "also is designed to drive a 23-in. rectangular color tube." As of April 1, more than 1,800 technicians had completed 12-hour course, and an additional 7,000 had enrolled.

Price reductions on high-purity silicon, raw material for silicon semiconductors & molecular circuits, were announced last week by Dow Corning Corp. One-piece crucible charges of polycrystalline silicon were cut 10-25%, float-zone-refined single-crystal silicon was reduced approximately 40%.

Sony Corp. has relocated its West Coast regional office to expanded quarters at 500 W. Florence Ave., Inglewood, Cal. New facility, triple size of previous West Coast hq, will serve 11 western states. Hiro Ohkochi is mgr.

Martel Electronic Sales, importer & distributor of Uher portable tape recorders and other electronic equipment & hi-fi components, opens midwest sales office & showrooms in Chicago Merchandise Mart.

Trade Personals

Arjay R. Miller, a Philco dir., named Ford pres., succeeding **John Dykstra,** retiring.

Richard S. Wahlberg, formerly Magnavox ad mgr. & ex-GE ad & sales promotion executive, appointed Westinghouse TV-Radio Div. ad & sales promotion mgr., succeeding **Russell W. Johnson,** resigned to join Ideal Toy Co. as ad mgr. (Vol. 3:9 p11).

Jack W. Schrey promoted to Magnavox vp & controller . . . **L. Ray Cook,** Western Electric manufacturing engineer, elected a vp, becomes engineering vp May 1 to succeed **Timothy E. Shea** who retires June 30.

Charles P. Basewell, ex-RCA, appointed Motorola Overseas Corp. pres., succeeding **Thomas Collier,** who has joined International GE as consumer & commercial electronic liaison mgr.

T. J. Green appointed Philco Corp. of Canada consumer products gen. sales mgr. . . . **R. C. Merryman** named Revere Camera audio-visual markets supervisor, a new post.

M. W. Newell, Philco vp, becomes Lansdale Div. gen. mgr. April 15.

Douglas M. Heller advanced to Bendix Radio Div. gen. mgr.

Mark W. Cresap Jr., Westinghouse pres., named national chmn. for United Community Fund & Councils of America.

Norman B. Krim resigns as Radio Shack pres., succeeded by Tandy Corp. Pres. **Charles D. Tandy,** whose company has assumed control of Radio Shack. Tandy also succeeds **Milton Deutschmann** as chief exec. officer.

Raymond P. Rivoli appointed Sylvania Tube Div., private brand renewal sales mgr., succeeding **Justin J. McCarthy.**

Dr. Elmer H. Schulz, named associate dir. & vp of Armour Research Foundation of Illinois Institute of Technology.

Frank D. Langstroth appointed Sylvania Electronic Systems govt. & industry relations vp, a new post, succeeded by **Lawrence J. Straw** as military mktg. vp.

R. A. Schieber named operations mgr. in reorganization of Westinghouse Semiconductor Div., with these other top product-line assignments: **Dr. R. D. Lynch,** mgr., rectifiier products dept.; **Dr. W. B. Green,** mgr., transistor & controlled rectifier dept.; **Dr. J. E. Reynolds,** mgr., volume products dept.; **C. S. Garvey,** mgr., components products dept.; **R. L. Brickley,** mgr., special products dept. . . . **Joseph D. Hurley,** ex-Raytheon/Rheem Semiconductor Div., joins Westinghouse as Molecular Electronics Div. mktg. mgr.

Wilson H. Oelkers, former Philco vp & Lansdale Div. gen. mgr., joins International Resistance as operations vp, a new post.

Norman A. Triplett, Triplett mktg. vp, appointed chmn., EIA Distributor Relations Committee.

Distributor Notes: **Gulton Industries** appoints **All-State Distributors Inc.** N.Y. & N.J. distributor for Ever Play rechargeable radios • **Admiral** names **Leonard B. Albert** regional sales mgr. covering distributors in Hartford, New Haven, Providence, Rochester, succeeding **Jack A. Freeman,** retired • **Concord Electronics,** L. A. tape recorder importer, appoints **William Mullen** to new post of regional sales mgr. for 24 midwestern & southern states, headquartering in new regional sales office, Colonial Court Bldg., Glenview, Ill. • **Grundig-Triumph-Adler Sales Corp.** named East Coast service operation for Grundig products.

Electronic organ sales for 1962 were placed at more than 100,000 units in survey of manufacturers reported in April 8 *Electronic News.* Figure is based on opinions of 2 organ manufacturers willing to make estimates. Article quotes one executive as saying sales totaled about $150 million (based on average price of $1,500), of which electronic circuitry of organs represents more than $100 million. Among trends noted in survey is changeover from mechanical to electronic switching and gradual conversion from tubes to semiconductor components in other circuits.

Engineering samples of color tubes will be sent to industry by Sylvania from pilot production later this month. Commercial shipments of color tubes from Seneca Falls plant will begin during 2nd half of year.

3M-Revere tape cartridge system will be sold in Los Angeles area by 8 retailers with total of 19 outlets. Included are dept. stores, audio dealers & electronic supply houses.

"Communications-Electronics Goes Beyond All Borders" is theme of 17th annual Armed Forces Communications & Electronics Convention & Exhibition June 4-6, Sheraton-Park Hotel, Washington. H. I. Romnes, Western Electric pres., will be keynote speaker at June 4 lunch. Najeeb Halaby, FAA administrator, will address banquet June 5. Lt. Gen. Alfred Starbird, Defense Communications Agency dir., will speak at June 6 lunch.

Six classroom TV sets were introduced last week by RCA Service Co., which said they were designed after survey of more than 5,000 educators. Line consists of 2 models in each of 3 series—Classic, Deluxe & Utility. Sets have 23-in. tubes with bonded glareproof safety shields. Classic series has 8-in. speakers & centrally located controls with lockable cover. Among accessories being offered are tip-proof stands, light shields, external speakers and master distribution systems.

Component hi-fi promotion campaign has been approved by members of Institute of High Fidelity. The component hi-fi manufacturers' $75,000 program will include: (1) 64-page booklet for distribution by dealers to customers. (2) 30-min. film, *Component High Fidelity Story,* for showing in schools & on TV. (3) Special Yellow-Pages listing for "Registered IHF Audio Specialists." (4) Exhibits at N.Y. World's Fair and at N.Y. & Los Angeles National Design Centers.

Two new strap frame receiving tubes have been introduced by Sylvania for IF amplifiers. Using standard T5½ structure, they make it possible for designers to switch from 3- to 2-stage IF design without retooling, according to Sylvania.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Arrow Electronics	1962—year to Dec. 31	$ 5,067,112	$ 223,577	$ 110,913	$0.26	430,000
	1961—year to Dec. 31	4,219,203	274,236	135,406	.31	430,000
Corning Glass	1963—12 wks. to Mar. 24	66,138,295[1]	13,258,683	6,931,683[1]	1.01[2]	6,791,885
	1962—12 wks. to Mar. 24	60,357,929	12,576,903	6,768,903	.99[2]	6,785,662
GE	1963—qtr. to Mar. 31	1,154,473,000[1]	119,631,000	58,979,000	.66	89,453,687
	1962—qtr. to Mar. 31	1,100,566,000	114,169,000	55,963,000	.63	88,962,489
Hallicrafters	1963—6 mo. to Feb. 28	34,132,000	1,959,000	979,000	.40	2,463,585
	1962—6 mo. to Feb. 28	35,599,000	1,742,000	842,000	.35	2,429,000
	1963—qtr. to Feb. 28	16,986,000	956,000	472,000	.19	2,463,585
	1962—qtr. to Feb. 28	15,840,000	826,000	396,000	.16	2,429,000
Harvey Radio	1963—year to Jan. 31	7,188,020	736,801	357,453	.46	770,000
	1962—year to Jan. 31	4,356,081	480,445	232,592	.30	770,000
Littelfuse	1962—year to Dec. 31	6,510,384	——	326,087	1.00	323,043
	1961—year to Dec. 31	5,357,669	——	197,630	.75	323,043
MCA	1962—year to Dec. 31[3]	188,160,276	27,291,840	12,706,849[4]	2.50[2,4]	4,601,670
	1961—year to Dec. 31[3]	172,329,325	24,456,554	10,916,554	2.14[2]	4,040,735
Muter	1962—year to Dec. 31	16,382,731	751,918	374,274	.30	1,257,695
	1961—year to Dec. 31	14,553,107	434,962	243,962	.20	1,199,094
Outlet Co. (WJAR-TV Providence)	1963—year to Jan. 31	19,454,270[5]	2,089,440	1,013,593[7]	2.04[7]	497,100
	1962—year to Jan. 31	19,329,437[6]	2,023,226	958,820	1.93	497,100
Pacific Industries	1963—6 mo. to Feb. 28	14,437,828	123,694	28,739[8]	.02[8]	1,887,239
	1962—6 mo. to Feb. 28	11,348,712	719,294	413,294	.22	1,627,239
Sangamo Electric	1962—year to Dec. 31	49,336,151	(1,817,410)	(901,410)[9]	—	1,637,617
	1961—year to Dec. 31	48,397,578	3,123,310	1,745,310	1.07	1,636,378
Stanley Warner	1963—26 wks. to Feb. 23	66,881,757	2,176,965	1,058,965	.52	2,033,924
	1962—26 wks. to Feb. 23	67,371,250	2,774,984	1,559,984	.77	2,033,924
	1963—13 wks. to Feb. 23	32,672,868	777,187	429,187	.21	2,033,924
	1962—13 wks. to Feb. 23	32,087,800	337,264	247,264	.12	2,033,924
Storer Bcstg.	1963—qtr. to Mar. 31	9,770,711	3,361,478	1,627,228	.67	2,440,300
	1962—qtr. to Mar. 31	8,700,000	2,862,030	1,238,627[10]	.51[10]	2,474,943
Times-Mirror	1963—qtr. to Mar. 31	36,000,000	——	1,752,000	.40	4,300,492
	1962—qtr. to Mar. 31	30,512,449	——	162,705	.04	4,296,872

Notes: [1] Record. [2] After preferred dividends. [3] Includes Decca Records on "pooling of interests" basis. [4] Before net gain of $2.1 million (47¢ a share) on sale of securities. [5] Includes $2,227,212 from broadcasting. [6] Includes $2,048,374 from broadcasting. [7] Before special charge of $68,586 (14¢). [8] Before net gain of $183,974 (9¢) on sale of properties. [9] After $916,000 tax credit. [10] Includes nonrecurring gain of $912,969 (37¢) on sale of Wheeling, W. Va. radio station.

Mergers & acquisitions: ITT & General Controls directors have approved a merger under new terms (Vol. 2:49 p11). Stockholders of the Glendale, Cal. maker of automatic control devices will receive 0.1338 share of ITT preferred & 0.0586 share of common for each share of General Controls common • **A&M Instrument** shareholders have approved merger into **Loral Electronics** • **Dynamics Corp. of America** has purchased for some $7 million in stock (100,00 shares of preferred, 331,700 common) **International Electronic Research Corp.**, Burbank, Cal. manufacturer of electronic equipment & components. IERC will function as a DCA subsidiary • **Electronic Assistance** will acquire **Ideal Brass Works**, St. Paul, Minn. maker of door & window hardware, for "slightly less than $3 million in cash & stock" if stockholders of both firms approve • **Electronic Specialty** has acquired in stock exchange privately held **H&S Metal Products**, L.A. maker of mechanical components • **Westinghouse** will acquire **Controls Div. of Hagan Chemicals & Controls** for approximately 130,000 Westinghouse shares, will also get Hagan name. Latter's stockholders will vote April 15 to rename company Calgon Corp. • **Radio Shack** is now under management control of **Tandy Corp.**, Ft. Worth maker & retailer of leather goods, which also has signed agreement to acquire the Boston-based distributor of electronic components & devices via 9 retail outlets & national mail-order business. Tandy Pres. Charles D. Tandy becomes pres. & chief exec. officer of Radio Shack. Tandy Corp. has agreed to buy more than 50% of Radio Shack's approximate 709,000 outstanding common shares.

Invalidation of 4 Admiral patents on grounds of prior patents is being sought in Federal Court, Brooklyn, by Avnet Electronics, Garrard Sales Corp. and British Industries. Action is reply to Admiral suit charging infringement of patents for record players & record player parts.

Hallicrafters has purchased 17-acre site at Wilton, Conn. to erect this year 100,000 sq.-ft. manufacturing plant for its Manson Labs subsidiary.

Secondary offering of AB-PT common stock will be made this week. Bache & Co. plans to market 426,964 shares with gross market value of about $14.5 million.

HANDY POCKET DIRECTORY
of
TELEVISION STATIONS
IN OPERATION

1963

NAB LIBRARY
APR 15 1963

Distributed as a Special Supplement of

Television Digest

2025 Eye Street, N.W.
Washington, D. C.

Television Stations in Operation

Or Due to Be Operating by Spring of 1963

(Channel Numbers in Parentheses)

* Indicates CP Status as of December 1, 1962, Station Having Reported Plans to Start This Year.
† Indicates Non-Commercial Educational Station.

ALABAMA

City	Station	Channel
Birmingham	WBRC-TV	(6)
	WAPI-TV	(13)
	†WBIO	(10)
Decatur	WMSL-TV	(23)
Dothan	WTVY	(4)
Dozier	†WDIO	(2)
Florence	WOWL-TV	(15)
Huntsville	WAFG-TV	(31)
Mobile	WKRG-TV	(5)
	WALA-TV	(10)
Montgomery	WSFA-TV	(12)
	WCOV-TV	(20)
	WCCB-TV	(32)
	†WAIO	(26)
Mount Cheaha State Park	†WCIO	(7)
Selma	WSLA	(8)

ALASKA

City	Station	Channel
Anchorage	KENI-TV	(2)
	KTVA	(11)
Fairbanks	KFAR-TV	(2)
	KTVF	(11)
Juneau	KINY-TV	(8)

ARIZONA

City	Station	Channel
Nogales	XHFA	(2)
Phoenix	KTVK	(3)
	KPHO-TV	(5)
	KOOL-TV	(10)
	KTAR-TV	(12)
	†KAET	(8)
Tucson	KVOA-TV	(4)
	KGUN-TV	(9)
	KOLD-TV	(13)
	†KUAT	(6)
Yuma	KIVA	(11)

ARKANSAS

City	Station	Channel
El Dorado	KTVE	(10)
Ft. Smith	KFSA-TV	(5)
Hot Springs	KFOY-TV	(9)
Little Rock	KARK-TV	(4)
	KATV	(7)
	KTHV	(11)

CALIFORNIA

City	Station	Channel
Bakersfield	KERO-TV	(10)
	KLYD-TV	(17)
	KBAK-TV	(29)
Chico	KHSL-TV	(12)
El Centro-Mexicali	XHBC-TV	(3)
Eureka	KIEM-TV	(3)
	KVIO-TV	(6)
Fresno	KFRE-TV	(30)
	KMJ-TV	(24)
	KJEO	(47)
	KAIL	(53)
Hanford	KDAS	(21)
Los Angeles	KNXT	(2)
	KNBC	(4)
	KTLA	(5)
	KABC-TV	(7)
	KHJ-TV	(9)
	KTTV	(11)
	KCOP	(13)
	KMEX-TV	(34)
Oakland-San Francisco	KTVU	(2)
Redding	KVIP-TV	(7)
Sacramento	KCRA-TV	(3)
	KXTV	(10)
	†KVIE	(6)
Salinas-Monterey	KSBW-TV	(8)
San Bernardino	KCHU	(18)
	†KVCR-TV	(24)
San Diego	KFMB-TV	(8)
	KOGO-TV	(10)
San Diego-Tijuana	XETV	(6)
	XEWT-TV	(12)
San Francisco	KRON-TV	(4)
	KPIX	(5)
	KGO-TV	(7)
	†KQED	(9)
San Jose	KNTV	(11)
San Luis Obispo	KSBY-TV	(6)
Santa Barbara	KEY-T	(3)
Stockton-Sacramento	KOVR	(13)
Visalia	KICU-TV	(43)

COLORADO

City	Station	Channel
Colo. Springs	KKTV	(11)
	KRDO-TV	(13)
Denver	KTVR	(2)
	KOA-TV	(4)
	KLZ-TV	(7)
	KBTV	(9)
	†KRMA-TV	(6)
Grand Junction	KREX-TV	(5)
Montrose	KREY-TV	(10)
Pueblo	KCSJ-TV	(5)

CONNECTICUT

City	Station	Channel
Hartford	WTIC-TV	(3)
	WHCT	(18)
	†WEDH	(24)
New Britain-Hartford	WHNB-TV	(30)
New Haven	WNHC-TV	(8)
Waterbury	WATR-TV	(53)
	†WERA-TV	(26)

DISTRICT OF COLUMBIA

City	Station	Channel
Washington	WRC-TV	(4)
	WTTG	(5)
	WMAL-TV	(7)
	WTOP-TV	(9)
	†WETA-TV	(26)

FLORIDA

City	Station	Channel
Daytona Beach-Orlando	WESH-TV	(2)
Ft. Myers	WINK-TV	(11)
Gainesville	†WUFT	(5)
Jacksonville	WJXT	(4)
	WFGA-TV	(12)
	†WJCT	(7)
Miami	WTVJ	(4)
	WCKT	(7)
	WLBW-TV	(10)
	†WTHS-TV	(2)
	†WSEC-TV	(17)
Orlando	WDBO-TV	(6)
	WFTV	(9)
Palm Beach	WPTV	(5)
Panama City	WJHG-TV	(7)
Pensacola	WEAR-TV	(3)
St. Petersburg-Tampa	WSUN-TV	(38)
Tallahassee-Thomasville	WCTV	(6)
Tallahassee	†WFSU-TV	(11)
Tampa	WFLA-TV	(8)
	WTVT	(13)
	†WEDU	(3)
W. Palm Beach	WEAT-TV	(12)

GEORGIA

City	Station	Channel
Albany	WALB-TV	(10)
Athens	†WGTV	(8)
Atlanta	WSB-TV	(2)
	WAGA-TV	(5)
	WAII-TV	(11)
	†WETV	(30)
Augusta	WJBF	(6)
	WRDW-TV	(12)
Columbus	WRBL-TV	(3)
	WTVM	(9)
Macon	WMAZ-TV	(13)
Savannah	WSAV-TV	(3)
	WTOC-TV	(11)
Waycross	†WXGA-TV	(8)

HAWAII

City	Station	Channel
Hilo	KHBC-TV	(9)
	KALU	(11)
	KHJK	(13)
Honolulu	KONA	(2)
	KHVH-TV	(4)
	KGMB-TV	(9)
	KIRG-TV	(13)
[illegible]luku	KMAU-TV	(3)
	KALA	(7)
	KMVI-TV	(12)

IDAHO

City	Station	Channel
Boise	XBOI-TV	(2)
	KTVB	(7)
Idaho Falls	KID-TV	(3)
	KIFI-TV	(8)
Lewiston	KLEW-TV	(3)
Pocatello	KTLE	(6)
Twin Falls	KLIX-TV	(11)

ILLINOIS

City	Station	Channel
Carbondale	†WSIU	(8)
Champaign	WCIA	(3)
	WCHU	(33)
	†WILL-TV	(12)
Chicago	WBBM-TV	(2)
	WNBQ	(5)
	WBKB	(7)
	WGN-TV	(9)
	†WTTW	(11)
Danville	WICD	(24)
Decatur	WTVP	(17)
Harrisburg	WSIL-TV	(3)
La Salle	WEEQ-TV	(35)
Peoria	WTVH	(19)
	WMBD-TV	(31)
	WEEK-TV	(43)
Quincy-Hannibal	WGEM-TV	(10)
Rockford	WREK-TV	(13)
	WTVO	(39)
Rock Island	WHBF-TV	(4)
Springfield	WICS	(20)

INDIANA

City	Station	Channel
Bloomington-Indianapolis	WTTV	(4)
Evansville	WTVW	(7)
	WFIE-TV	(14)
	WEHT	(50)
Ft. Wayne	WANE-TV	(15)
	WPTA	(21)
	WKJG-TV	(33)
Indianapolis	WFBM-TV	(6)
	WISH-TV	(8)
	WLWI	(13)
Lafayette	WFAM-TV	(18)
Marion	WTAF-TV	(31)
Muncie	WLBC-TV	(49)
South Bend	WNDU-TV	(16)
	WSBT-TV	(22)
South Bend-Elkhart	WSJV	(28)
Terre Haute	WTHI-TV	(10)

IOWA

City	Station	Channel
Ames-Des Moines	WOI-TV	(5)
Cedar Rapids	KCRG-TV	(9)
Cedar Rapids-Waterloo	WMT-TV	(2)
Davenport	WOC-TV	(6)
Des Moines	KRNT-TV	(8)
	WHO-TV	(13)
	†KDPS-TV	(11)
Ft. Dodge	KQTV	(21)
Mason City	KGLO-TV	(3)
Sioux City	KTIV	(4)
	KVTV	(9)
Waterloo-Cedar Rapids	KWWL-TV	(7)

KANSAS

City	Station	Channel
Ensign	KTVC	(6)
Garden City	KGLD	(11)
Goodland	KLOE-TV	(10)
Great Bend	KCKT	(2)
Hays	KAYS-TV	(7)
Hutchinson-Wichita	KTVH	(12)
Pittsburg-Joplin, Mo.	KOAM-TV	(7)
Salina	KSLN-TV	(34)
Topeka	WIBW-TV	(13)
Wichita	KARD-TV	(3)
	KAKE-TV	(10)

KENTUCKY

City	Station	Channel
Bowling Green	WLTV	(13)
Lexington	WLEX-TV	(18)
	WKYT	(27)
Louisville	WAVE-TV	(3)
	WHAS-TV	(11)
	WLKY	(32)
	†WFPK-TV	(15)
Paducah	WPSD-TV	(6)

LOUISIANA

City	Station	Channel
Alexandria	KALB-TV	(5)
Baton Rouge	WBRZ	(2)
	WAFB-TV	(9)
Lafayette	KLFY-TV	(10)
	KATC	(3)
Lake Charles	KPLC-TV	(7)
Monroe	KNOE-TV	(8)
	KLSE	(13)
New Orleans	WWL-TV	(4)
	WDSU-TV	(6)
	WVUE	(13)
	†WYES-TV	(8)
Shreveport	KTBS-TV	(3)
	KSLA-TV	(12)
	KTAL-TV	(6)

MAINE

City	Station	Channel
Augusta	WCBB	(10)
Bangor	WLBZ-TV	(2)
	WABI-TV	(5)
Poland Spring (Mt. Washington, N.H.)	WMTW-TV	(8)
Portland	WCSH-TV	(6)
	WGAN-TV	(13)
Presque Isle	WAGM-TV	(8)

MARYLAND

City	Station	Channel
Baltimore	WMAR-TV	(2)
	WBAL-TV	(11)
	WJZ-TV	(13)
Salisbury	WBOC-TV	(16)

MASSACHUSETTS

City	Station	Channel
Adams	WCDC	(19)
Boston	WBZ-TV	(4)
	WHDH-TV	(5)
	WNAC-TV	(7)
	†WGBH-TV	(2)
Greenfield	WRLP	(32)
Springfield	WWLP	(22)
	WHYN-TV	(40)
Worcester	WWOR	(14)

MICHIGAN

City	Station	Channel
Bay City-Saginaw	WNEM	(5)
	WKNX-TV	(57)
Cadillac-Traverse City	WWTV	(13)
Cheboygan	WTOM-TV	(4)
Detroit	WJBK-TV	(2)
	WWJ-TV	(4)
	WXYZ-TV	(7)
	†WTVS	(56)
Detroit-Windsor-	CKLW-TV	(9)
Flint	WJRT	(12)
Grand Rapids	WZZM-TV	(13)
Grand Rapids-Kalamazoo	WOOD-TV	(8)
Kalamazoo	WKZO-TV	(3)
Lansing-Flint	WJIM-TV	(6)
Lansing (Onondaga)	WILX-TV	(10)
East Lansing	†WMSB	(10)
Marquette	WLUC-TV	(6)
Saginaw-Bay City	WKNX-TV	(57)
Sault Ste. Marie	WWUP-TV	(10)
Traverse City	WPBN-TV	(7)

MINNESOTA

City	Station	Channel
Alexandria	KCMT	(7)
Austin	KMMT	(6)
Duluth-Superior	KDAL-TV	(3)
	WDSM-TV	(6)
Mankato	KEYC-TV	(12)
Minneapolis-St. Paul	WCCO-TV	(4)
	KMSP-TV	(9)
	WTCN-TV	(11)
Rochester	KROC-TV	(10)
St. Paul-Minneapolis	KSTP-TV	(5)
	†KTCA-TV	(2)

MISSISSIPPI

City	Station	Channel
Biloxi	WLOX-TV	(13)
Columbus	WCBI-TV	(4)
Greenwood	WABG-TV	(6)
Hattiesburg-Laurel	WDAM-TV	(7)
Jackson	WLBT	(3)
	WJTV	(12)
Meridian	WTOK-TV	(11)
Tupelo	WTWV	(9)

MISSOURI

City	Station	Channel
Cape Girardeau	KFVS-TV	(12)
Columbia	KOMU-TV	(8)
Hannibal-Quincy	KHQA-TV	(7)
Jefferson City	KRCG	(13)
Joplin	KODE-TV	(12)
Kansas City	WDAF-TV	(4)
	KCMO-TV	(5)
	KMBC-TV	(9)
	†KCSD-TV	(19)
Kirksville-Ottumwa, Ia.	KTVO	(3)
Poplar Bluff	KPOB-TV	(15)
St. Joseph	KFEQ-TV	(2)
St. Louis	KTVI	(2)
	KMOX-TV	(4)
	KSD-TV	(5)
	KPLR-TV	(11)
	†KETC	(9)
Sedalia	KMOS-TV	(6)
Springfield	KYTV	(3)
	KTTS-TV	(10)

MONTANA

City	Station	Channel
Billings	KOOK-TV	(2)
	KULR-TV	(8)
Butte	KXLF-TV	(4)
Glendive	KXGN-TV	(5)
Great Falls	KRTV	(3)
	KFBB-TV	(5)
Helena	KBLL-TV	(12)
Missoula	KMSO-TV	(13)

NEBRASKA

City	Station	Channel
Grand Island	KGIN-TV	(11)
Hastings	KHAS-TV	(5)
Hayes Center	KHPL-TV	(6)
Hay Springs	KDUH-TV	(4)
Kearney-Holdrege	KHOL-TV	(13)
Lincoln	KOLN-TV	(10)
	†KUON-TV	(12)
McCook	KOMC	(8)
No. Platte	KNOP	(2)
Omaha	KMTV	(3)
	WOW-TV	(6)
	KETV	(7)
Scottsbluff-Gering	KSTF	(10)

NEVADA

City	Station	Channel
Las Vegas	KORK-TV	(2)
	KLAS-TV	(8)
	KSHO-TV	(13)
Reno	KOLO-TV	(8)
	KCRL	(4)

NEW HAMPSHIRE

City	Station	Channel
Durham	†WENH-TV	(11)
Manchester	WMUR-TV	(9)

NEW MEXICO

City	Station	Channel
Albuquerque	KOB-TV	(4)
	KOAT-TV	(7)
	KGGM-TV	(13)
	†KNME-TV	(5)
Carlsbad	KAVE-TV	(6)
Clovis	KICA-TV	(12)
Roswell	KSWS-TV	(8)

NEW YORK

City	Station	Channel
Albany	W-TEN	(10)
	WAST	(13)
Binghamton	WNBF-TV	(12)
	WINR-TV	(40)
	WBJA-TV	(56)
Buffalo	WGR-TV	(2)
	WBEN-TV	(4)
	WKBW-TV	(7)
	†WNED-TV	(17)
Carthage-Watertown	WCNY-TV	(7)
Elmira	WSYE-TV	(18)
New York	WCBS-TV	(2)
	WNBC-TV	(4)
	WNEW-TV	(5)
	WABC-TV	(7)
	WOR-TV	(9)
	WPIX	(11)
	†WNDT	(13)
	†WNYC-TV	(31)
New York-Newark, N.J.	WNTA-TV	(13)
Plattsburgh	WPTZ	(5)
Rochester	WROC-TV	(5)
	WHEC-TV	(10)
	WOKR	(13)
Schenectady	WRGB	(6)
	†WMHT	(17)
Syracuse	WSYR-TV	(3)
	WHEN-TV	(8)
	WNYS-TV	(9)
Utica	WKTV	(2)

NORTH CAROLINA

City	Station	Channel
Asheville	WLOS-TV	(13)
	WISE-TV	(62)
Chapel Hill	†WUNC-TV	(4)
Charlotte	WBTV	(3)
	WSOC-TV	(9)
	†WUTV	(36)
Durham-Raleigh	WTVD	(11)
Greensboro	WFMY-TV	(2)
Greenville	WNCT	(9)
Raleigh-Durham	WRAL-TV	(5)
Washington	WITN	(7)
Wilmington	WECT	(6)
Winston-Salem	WSJS-TV	(12)

NORTH DAKOTA

City	Station	Channel
Bismarck	KFYR-TV	(5)
	KXMB-TV	(12)
Dickinson	KDIX-TV	(2)
Fargo	WDAY-TV	(6)
	KXGO-TV	(11)
Grand Forks	KNOX-TV	(10)
Minot	KMOT	(10)
	KXMC-TV	(13)
Pembina	KCND	(12)
Valley City	KXJB-TV	(4)
Williston	KUMV-TV	(8)

OHIO

City	Station	Channel
Akron	WAKR-TV	(49)
Cincinnati	WLW-T	(5)
	WCPO-TV	(9)
	WKRC-TV	(12)
	†WCET	(48)
Cleveland	KYW-TV	(3)
	WEWS	(5)
	WJW-TV	(8)
Columbus	WLW-C	(4)
	WTVN-TV	(6)
	WBNS-TV	(10)
	†WOSU-TV	(34)
Dayton	WLW-D	(2)
	WHIO-TV	(7)
Lima	WIMA-TV	(35)
Oxford	†WMUB-TV	(14)
Steubenville-Wheeling, W. Va.	WSTV-TV	(9)
Toledo	WTOL-TV	(11)
	WSPD-TV	(13)
	†WGTE-TV	(30)
Youngstown	WFMJ-TV	(21)
	WKBN-TV	(27)
	WXST-TV	(33)
Zanesville	WHIZ-TV	(18)

OKLAHOMA

City	Station	Channel
Ada	KTEN	(10)
Ardmore-	KXII	(12)
Sherman-Denison, Tex.	KXII	(12)
Elk City	KSWB	(8)
Enid-Oklahoma City	KOCO-TV	(5)
Lawton	KSWO-TV	(7)
Oklahoma City	WKY-TV	(4)
	KWTV	(9)
	†KETA	(13)
	†KOKH-TV	(25)
Tulsa	KVOO-TV	(2)
	KOTV	(6)
	KTUL-TV	(8)
	†KOED-TV	(11)

OREGON

City	Station	Channel
Coos Bay	KCBY-TV	(11)
Corvallis	†KOAC-TV	(7)
Eugene	KEZI-TV	(9)
	KVAL-TV	(13)
Klamath Falls	KOTI	(2)
Medford	KBES-TV	(5)
	KMED-TV	(10)
Portland	KATU	(2)
	KOIN-TV	(6)
	KGW-TV	(8)
	KPTV	(12)
	†KOAP-TV	(10)
Roseburg	KPIC	(4)

PENNSYLVANIA

City	Station	Channel
Altoona	WFBG-TV	(10)
Erie	WICU-TV	(12)
	WSEE	(35)
Harrisburg	WTPA	(27)
	WHP-TV	(55)
Johnstown	WJAC-TV	(6)
	WARD-TV	(56)
Lancaster	WGAL-TV	(8)
Lebanon	WLYH-TV	(15)
Philadelphia	WRCV-TV	(3)
	WFIL-TV	(6)
	WCAU-TV	(10)
	†WHYY-TV	(35)
Pittsburgh	KDKA-TV	(2)
	WTAE	(4)
	WIIC	(11)
	†WQED	(13)
Scranton	WDAU-TV	(22)
Scranton-Wilkes-Barre	WNEP-TV	(16)
	WBRE-TV	(28)
York	WSBA-TV	(43)

RHODE ISLAND

City	Station	Channel
Providence	WJAR-TV	(12)
	WPRO-TV	(12)

SOUTH CAROLINA

City	Station	Channel
Anderson	WAIM-TV	(40)
Charleston	WUSN-TV	(2)
	WCIV	(4)
	WCSC-TV	(5)
Columbia	WIS-TV	(10)
	WCCA-TV	(25)
	WNOK-TV	(67)
Florence	WBTW	(8)
Greenville	WFBC-TV	(4)
Spartanburg	WSPA-TV	(7)

SOUTH DAKOTA

City	Station	Channel
Aberdeen	KXAB-TV	(9)
Deadwood-Lead	KOSJ-TV	(5)
Florence Wator[illegible]n	KOLO-TV	(3)
[illegible]hell	KORN-TV	(5)
[illegible]id Ci.	KOTA-TV	(3)
	KRSD-TV	(7)
Reliance	KPLO-TV	(6)
Sioux Falls	KELO-TV	(11)
	KSOO-TV	(13)
Vermillion	†KUSO-TV	(2)

TENNESSEE

City	Station	Channel
Chattanooga	WRCB-TV	(3)
	WTVC	(9)
	WDEF-TV	(12)
Jackson	WDXI-TV	(7)
Johnson City-Bristol-Kingsport	WJHL-TV	(11)
Knoxville	WATE-TV	(6)
	WBIR-TV	(10)
	WTVK	(26)
Memphis	WREC-TV	(3)
	WMCT	(5)
	WHBQ-TV	(13)
	†WKNO-TV	(10)
Nashville	WSM-TV	(4)
	WLAC-TV	(5)
	WSIX-TV	(8)
	†WDCN-TV	(2)

TEXAS

City	Station	Channel
Abilene	KRBC-TV	(9)
Alpine	KVLF-TV	(12)
Amarillo	KGNC-TV	(4)
	KVII	(7)
	KFDA-TV	(10)
Austin	KTBC-TV	(7)
Beaumont	KFDM-TV	(6)
	KBMT	(12)
Big Spring	KWAB	(4)
Bryan	KBTX-TV	(3)
Corpus Christi	KRIS-TV	(6)
	KZTV	(10)
Worth Dallas-Fort	KRLD-TV	(4)
	WFAA-TV	(8)
	†KERA-TV	(13)
El Paso	KROD-TV	(4)
	KTSM-TV	(9)
	KELP-TV	(13)
El Paso-Juarez	XEJ-TV	(5)
	XEPM-TV	(2)
Ft. Worth-Dallas	WBAP-TV	(5)
Ft. Worth	KTVT	(11)
Harlingen	KGBT-TV	(4)
Houston	KPRC-TV	(2)
	KHOU-TV	(11)
	KTRK-TV	(13)
	†KUHT	(8)
Laredo	KGNS-TV	(8)
Lubbock	KCBD-TV	(11)
	KLBK-TV	(13)
Lufkin	KTRE-TV	(9)
Midland	KMID-TV	(2)
	KDCD	(18)
Monahans	KVKM-TV	(9)
Nacogdoches	KTES	(19)
Odessa	KOSA-TV	(7)
Port Arthur-Beaumont	KPAC-TV	(4)
Richardson	†KRET-TV	(23)
San Angelo	KCTV	(8)
	KACB-TV	(3)
San Antonio	WOAI-TV	(4)
	KENS-TV	(5)
	†KLRN-TV	(9)
	KONO-TV	(12)
	KWEX-TV	(41)
Sweetwater-Abilene	KPAR-TV	(12)
Temple-Waco	KCEN-TV	(6)
Tyler-Longview	KLTV	(7)
Waco	KWTX-TV	(10)
Weslaco	KRGV-TV	(5)
Wichita Falls	KFDX-TV	(3)
	KSYD-TV	(6)

UTAH

City	Station	Channel
Ogden	KOET-TV	(9)
	†KWCS-TV	(18)
Provo	†KBYU-TV	(11)
Salt Lake City	KUTV	(2)
	KCPX-TV	(4)
	KSL-TV	(5)
	†KUED	(7)

VERMONT

City	Station	Channel
Burlington	WCAX-TV	(3)

VIRGINIA

City	Station	Channel
Bristol	WCYB-TV	(5)
Hampton-Norfolk	WVEC-TV	(13)
	WHRO-TV	(15)
Harrisonburg	WSVA-TV	(3)
Lynchburg-Roanoke	WLVA-TV	(13)
Norfolk	WTAR-TV	(3)
Petersburg-Richmond	WXEX-TV	(8)
Portsmouth	WYAH-TV	(27)
Portsmouth-Norfolk	WAVY-TV	(10)
Richmond	WTVR	(6)
	WRVA-TV	(12)
Roanoke	WDBJ-TV	(7)
	WSLS-TV	(10)

WASHINGTON

City	Station	Channel
Bellingham	KVOS-TV	(12)
Pasco	KEPR-TV	(19)
Pullman	†KWSC-TV	(10)
Richland	KNDU	(25)
Seattle	KOMO-TV	(4)
	KING-TV	(5)
	KIRO-TV	(7)
	†KCTS-TV	(9)
Spokane	KREM-TV	(2)
	KXLY-TV	(4)
	KHQ-TV	(6)
Seattle-Tacoma	KTNT-TV	(11)
Tacoma	KTVW	(13)
	†KPEC-TV	(56)
	KTPW	(62)
Seattle	KTNT-TV	(11)
Yakima	KIMA-TV	(29)
	KNDO	(23)
	†KYVE-TV	(47)

WEST VIRGINIA

City	Station	Channel
Bluefield	WHIS-TV	(6)
Charleston	WCHS-TV	(8)
Clarksburg	WBOY-TV	(12)
Huntington-Charleston	WSAZ-TV	(3)
	WHTN-TV	(13)
Oak Hill	WOAY-TV	(4)
Parkersburg-Marietta, O.	WTAP-TV	(15)
Weston	WJPB-TV	(5)
Wheeling	WTRF-TV	(7)

WISCONSIN

City	Station	Channel
Eau Claire	WEAU-TV	(13)
Green Bay	WBAY-TV	(2)
	WFRV	(5)
	WLUK-TV	(11)
LaCrosse	WKBT	(8)
Madison	WISC-TV	(3)
	WKOW-TV	(27)
	WMTV	(33)
	†WHA-TV	(21)
Milwaukee	WTMJ-TV	(4)
	WITI-TV	(6)
	WISN-TV	(12)
	WXIX	(18)
	†WMVS-TV	(10)
Wausau	WSAU-TV	(7)

WYOMING

City	Station	Channel
Casper	KTWO-TV	(2)
Cheyenne	KFBC-TV	(5)
Riverton	KWRB-TV	(10)

U.S. POSSESSIONS

GUAM

City	Station	Channel
Agana	KUAM-TV	(8)

PUERTO RICO

City	Station	Channel
Aguadilla	WOLE-TV	(12)
Caguas	WKBM-TV	(11)
Mayaguez	WORA-TV	(5)
	†WIPM-TV	(3)
Ponce	WRIK-TV	(7)
	WSUR-TV	(9)
San Juan	WKAQ-TV	(2)
	WAPA-TV	(4)
	†WIPR-TV	(6)

VIRGIN ISLANDS

City	Station	Channel
Charlotte Amalie	*WBNB-TV	(10)

CANADA

(Canadian list below includes low-power repeaters; communities with repeaters only are not indicated on map)

City	Station	Channel
Amherst, N.S.	CJCH-TV-3	(8)
Antigonish, N.S.	CFXU-TV	(9)
Argentia, Nfld.	CJOX-TV	(10)
Ashcroft, B.C.	CFCR-TV-2	(10)
Banff, Alta.	CFCN-TV-2	(8)
	CHCA-TV-2	(10)
Barrie, Ont.	CKVR-TV	(3)
Bayview, N.S.	CJCH-TV-2	(6)
Bon Accord, N.B.	CHSJ-TV-1	(6)
Boston Bar, B.C.	CFCR-TV-9	(5)
Brandon, Man.	CKX-TV	(5)
Burmis, Alta.	CJLH-TV-3	(3)
Calgary, Alta.	CHCT-TV	(2)
	CFCN-TV	(4)
Canning, N.S.	CJCH-TV-1	(10)
Campbellton, N.B.	CKCD-TV	(7)
Carleton, Que.	CHAU-TV	(5)
Carlyle Lake, Sask.	CKOS-TV-2	(7)
Carrott Creek, Alta.	CFRN-TV-1	(9)
Charlottetown, P.E.I.	CFCY-TV	(13)
Chase, B.C.	CFCR-TV-8	(11)
Clermont, Que.	CFCV-TV-1	(75)
Clinton, B.C.	CFCR-TV-4	(9)
Colgate, Sask.	CKCK-TV-1	(12)
Corner Brook, Nfld.	CBYT	(5)
Cornwall, Ont.	CJSS-TV	(8)
Coronation, Alta.	CHCA-TV-1	(10)
	CHCC-TV	(10)
Courtenay, B.C.	CBUT-1	(9)
Cranbrook, B.C.	CBUBT	(10)
Dauphin, Man.	CKOS-TV-1	(8)
Dawson Creek, B.C.	CJDC-TV	(5)
Drumheller, Alta.	CFCN-TV-1	(8)
Dryden, Ont.	CBLT	(9)
Eastend, Sask.	CJFB-TV-1	(2)
Edmonton, Alta.	CFRN-TV	(3)
	CBXT	(4)
Edmundston, N.B.	CJBR-TV-1	(13)
Edson, Alta.	CFRN-TV-2	(12)
Elliot Lake, Ont.	CKSO-TV-1	(3)
Enderby, B.C.	CFEN-TV-1	(5)
Estcourt, Que.	CJES-TV-1	(70)
Flin Flon, Man.	CBWBT	(10)
Fox River, Que.	CHSM-TV	(7)
Grand Falls, Nfld	CJCN-TV	(4)
Grande Prairie, Alta.	CBXAT	(10)
Greenwater Lake, Sask.	CKBI-TV-3	(4)
Halifax, N.S.	CBHT	(3)
	CJCH-TV	(5)
Hamilton, Ont.	CHCH-TV	(11)
Harrison Brook, Que.	CKCD-TV	(7)
Inverness, N.S.	CJCB-TV-1	(6)
Jonquiere, Que.	CKRS-TV	(12)
Kamloops, B.C.	CFCR-TV	(4)
Kapuskasing, Ont.	CFCL-TV-1	(3)
Kearns, Ont.	CFCL-TV-2	(2)
Kelowna, B.C.	CHBC-TV	(2)
Kenora, Ont.	CBWAT	(8)
Keremeos, B.C.	CHKF-TV-1	(5)
Kingston, Ont.	CKWS-TV	(11)
Kitchener, Ont.	CKCO-TV	(13)
LaPas, Man.	CBWBT-1	(7)
Lethbridge, Alta.	CJLH-TV	(7)
Lillooet, B.C.	CFCR-TV-1	(11)
Liverpool, N.S.	CBHT-1	(12)
Lloydminster, Alta.	CHSA-TV	(2)
London, Ont.	CFPL-TV	(10)
Lumby, B.C.	CHIO-TV-1	(5)
Manicouagan, Que.	CKHO-TV-1	(10)
Matane, Que.	CKBL-TV	(9)
Medicine Hat, Alta.	CHAT-TV	(6)
Merritt, B.C.	CFCR-TV-3	(10)
Moncton, N.B.	CKCW-TV	(2)
	CBAFT	(11)
Montreal, Que.	CBFT	(2)
	CBMT	(6)
	CFTM-TV	(10)
	CFCF-TV	(12)
Moose Jaw, Sask.	CHAB-TV	(4)
Mt. Blanc, Que.	CJAO-TV-1	(80)
Mt. Laurier, Que.	CBFT-2	(3)
Mt. Timothy, B.C.	CFCR-TV-6	(5)
Mt. Tremblant, Que.	CBFT-1	(11)
Nakusp, B.C.	CJMP-TV-1	(2)
Nelson, B.C.	CBUAT-1	(9)
Newcastle, N.B.	CKAM-TV-1	(7)
New Glasgow, N.S.	CFCY-TV-1	(7)
Nipawin, Sask.	CKIB-TV-4	(2)
North Battleford, Sask.	CKBI-TV-2	(7)
North Bay, Ont.	CKGN-TV	(10)
	CFCH-TV	(10)
North Shore, N.B.	CKAM-TV	(12)
Oliver-Osoyoos, B.C.	CHBC-TV-3	(8)
Ottawa, Ont.	CBOT	(4)
	CBOFT	(9)
	CJOH-TV	(13)
Parry Sound, Ont.	CKVR-TV-1	(11)
Peace River, Alta.	CBXAT-1	(7)
Peachland, B.C.	CHPT-TV-1	(5)
Pembroke, Ont	CHOV-TV	(5)
Penticton, B.C.	CHBC-TV-1	(13)
Peterborough, Ont.	CHEX-TV	(12)
Pivot, Alta.	*CHAT-TV-1	(4)
Port Arthur, Ont.	CFCJ-TV	(2)
	CKPR-TV	(2)
Prince Albert, Sask.	CKBI-TV	(5)
Prince George, B.C.	CKPG-TV	(3)
Prince Rupert, B.C.	CFTK-1	(6)
Quebec City, Que.	CFCM-TV	(4)
	CKMI-TV	(5)
Quentin, B.C.	CFCR-TV-4	(9)
Quesnel, B.C.	CFCR-TV-11	(7)
Red Deer, Alta.	CHCA-TV	(6)
Regina, Sask.	CKCK-TV	(2)
Rimouski, Que.	CJBR-TV	(3)
Riviere du Loup, Que.	CKRT-TV	(7)
Rouyn, Que.	CKRN-TV	(4)
Salmon Arm, B.C.	CHBC-TV-4	(5)
Saskatoon, Sask.	CFQC-TV	(8)
Sault Ste. Marie, Ont.	CJIC-TV	(2)
Savona, B.C.	CFCR-TV-7	(8)
Senneterre, Que.	CKRN-TV-1	(7)
Shelburne, N.S.	CBHT-2	(8)
Sherbrooke, Que.	CHLT-TV	(7)
Sioux Lookout, Ont.	CBLAT-1	(12)
St. John, N.B.	CHSJ-TV	(4)
St. John's, Nfld.	CJON-TV	(6)
Stranraer, Sask.	CFQC-TV-1	(3)
Sturgeon Falls, Ont.	CBFST	(7)
Sudbury, Ont.	CKSO-TV	(5)
	CBFST-1	(13)
Swift Current, Sask.	CJFB-TV	(5)
Sydney, N.S.	CJCB-TV	(4)
Temiscaming, Que.	CJTK-TV-1	(3)
Terrace, B.C.	CFTK-TV	(3)
Timmins, Ont.	CBLT	(6)
Toronto, Ont.	CFCL-TV	(6)
	CFTO-TV	(9)
Trail, B.C.	CBUAT	(11)
Trois-Rivieres, Que.	CKTM-TV	(13)
Val Marie, Sask.	CJFB-TV-2	(2)
Vancouver, B.C.	CBUT	(2)
	CHAN-TV	(8)
Vernon, B.C.	CHBC-TV-2	(7)
Victoria, B.C.	CHEK-TV	(6)
Wanganui, Sask.	CKBI-TV-T	(10)
Waterton Park, Alta.	CJWT-TV-1	(12)
Williams Lake, B.C.	CFCR-TV-5	(8)
Windsor, Ont.	CKLW-TV	(9)
Wingham, Ont.	CKNX-TV	(8)
Winnipeg, Man.	CBWT	(3)
	CBWFT	(6)
	CJAY-TV	(7)
Wynyard, Sask.	CKOS-TV-3	(6)
Yarmouth, N.S.	CBHT-3	(11)
Yorkton, Sask.	CKOS-TV	(3)

Distributed as a Special Supplement of **Television Digest**, 2025 Eye Street, N.W., Washington, D. C.

NAB LIBRARY
APR 22 1963

WEEKLY

Television Digest

with

Consumer Electronics . . . (starts page 7)

APRIL 22, 1963

NEW SERIES VOL. 3, No. 16

The authoritative service for executives in all branches of the television arts & industries

IN THIS ISSUE: UHF Market Guide Showing Stations on Air, CPs & Applications (pp. 8-9)

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

GROWING REACTION TO RATINGS FEVER: Rep. Harris demands action, NAB looks to auditing system for reform, Pulse drops weighting & asks for tri-partite audit, Nielsen strikes back at Washington hearings (p. 1).

HARRIS WALKS GOVT.-INDUSTRY 'TIGHTROPE,' warns FCC not to extend further into programming, tells broadcasters they'll risk govt. ownership if they put 'private interests' ahead of 'public interest' (p. 3).

NEW CRUX IN CATV REGULATION this week, FCC due to adopt position, NCTA board meeting in Washington to ponder it. Bone of contention: Regulation in one-station market or in all? (p. 3).

TAFT-TTC DEAL MOVES another notch, August Meyer buying San Diego & Bakersfield properties—contingent on FCC approval of rest of package (p. 5).

ANOTHER RECORD FOR CBS seen by Paley & Stanton, who estimate first quarter profits 25% above last year's record, with new high forecast in full-year sales & earnings (p. 6).

Consumer Electronics

STATUS OF UHF MARKETS shown in Market Guide, listing locations of 116 on-air outlets, 80 authorized stations, 67 applicants, with appraisal of uhf station prospects during 12 months before application of all-channels law (p. 7).

ACTION FOR CONSUMER & RETAILER PROTECTION GROWS: Activities at national & state levels pick up tempo as opposing groups move to protect consumer from retailer, retailer from discounter, discounter from fair traders (p. 9).

FIRST-QUARTER RETURNS: RCA scores highest sales & profits for any quarter in its history as net income jumps 19% to $17.3 million on 3% sales rise to $436 million (p. 11); Westinghouse profit gains 7% to $12.6 million on 6.4% sales climb to record $489.7 million (p. 12).

GROWING REACTION TO RATINGS FEVER: Seriousness of ratings hearing disclosures is beginning to penetrate deeply throughout country—among groups which had regarded the news as "another of those Washington headline things." Some directions are beginning to emerge—but this is still only the beginning. Here's what's in works currently:

NAB will set up permanent auditing group to validate audience research methods on continuing basis. It's not certain whether group will be under NAB wing—as association prefers—or under separate management. Advertising Research Foundation announced it would like to tackle job.

Harris Subcommittee is willing to wait and see strength of industry self-action before it recommends govt. moves. If govt. does step in, it would most likely be in form of FTC trade practice rules—but don't rule out individual actions like FTC complaint orders or moves by Justice Dept.

We've learned Harris Subcommittee has checked out FCC on licensing possibilities. It found Commission wants no part of it, thinks it would accomplish little. FCC feels that major problem is way ratings are used, and it could keep close check on stations in this regard.

Chmn. Harris (D-Ark.) took note of station use of ratings in speech prepared for April 20 meeting of Mississippi Bcstrs. Assn. at Biloxi: "Absolute or excessive reliance constitutes an abdication of broadcasters' responsibility no matter how accurate the ratings can be demonstrated to be . . .

"Surely it will not be claimed that broadcasters who may be hypnotized by ratings are performing in the public interest. Thus, the question as to the use to which ratings may properly be put is first of all a question which broadcasters must answer, and secondly, it is a matter of concern for the FCC. . .

"I am not so sure that the FTC, which is one of the agencies which has jurisdiction in this respect,

has done all that can be done." Prospect of regulating ratings under power of Congress to fix standards of weights & measures was also held out by Harris.

"I can promise you this," he said: "We shall leave no stone unturned in exploring what can and should be done to improve the ugly rating picture which we have found to exist."

Harris is inclined to let industry take corrective steps. But he means business, and NAB for one knows it. Gov. Collins asked Harris last week for a second opportunity to testify within 30 days "for the purpose of advising you and your colleagues of specific corrective measures which we will propose in order that in the future there will be assured reliability in broadcast audience measurements."

NAB's Research Committee, chaired by WBC's Donald McGannon and headed by NAB vp Melvin Goldberg, is working out audit plan. Committee members are exploring basic matters: Organization of auditing group, what is really needed in broadcast research, systems of validation for each method, problems connected with how ratings are used. Significantly, research services are not being brought into picture until NAB knows what it wants.

Even before NAB Research Committee took positive steps, the association's top govt. relations men sounded out Harris on his views. He impressed them with the need for action. Harris told them there was an obvious poverty of quality in ratings and that the reliance placed on them affected the public.

Ratings major-domo Nielsen is working to repair damage done by hearings. Without formal announcement, it arranged for 2 subscriber meetings in Chicago April 19. Three days of client meetings are scheduled in N.Y. April 24-26, with possibility that April 24 session may be open to press.

Counterattack to Washington hearings was made at Chicago meetings by Pres. A. C. Nielsen Jr. In speech titled "The Researcher Replies," he criticized hearing process as "immune from laws of libel & slander." He said Nielsen ratings are sufficiently accurate; that while national sample is not too large, it's not too small.

Sessions deal mostly with national services, devote most time to client questions (networks, agencies, advertisers). Although most of Nielsen weaknesses revealed at hearings dealt with local reports, company hasn't decided when to get together with station subscribers.

Nielsen shows some business gains after defections by Cowles & Triangle. It signed Reader's Digest, McCall's, Doyle Dane Bernbach and Erwin, Wasey, Ruthrauff & Ryan to 2-year contracts involving $180,000.

In letter Harris refused to enter into record (Vol. 3:15 p4), A. C. Nielsen Jr. indicated that his company—as well as other broadcast research firms—weren't making much money. He also said that one of his major competitors, reliably reported to be ARB, at one time made overtures to merge with Nielsen.

Pulse Dir. Sydney Roslow, in first appearance since bruising at hearings, told of changes in methods, some major: Elimination of weighting, pending further research; strengthened field work controls with appointment of a second asst. field dir. in N.Y.; installation of Watt system of telephoning to validate work of field supervisor.

Roslow also plans to reduce number of local market reports in large cities from 6 times a year to 4, to reflect seasonal listening, said he would like to see external study to determine minimum sample for qualitative breakdowns of basic data.

An appeal for an auditing organization, composed of broadcasters, agencies & station representatives, was also voiced by Roslow. Total sample sizes will not be materially changed until Pulse sees what action is taken by NAB. Roslow also stated that company is still exploring one-day TV diary technique. Diaries are personally-placed & personally-collected and have been tried in Los Angeles & Cleveland.

Curiously, big ad agency conference—annual AAAA meeting April 25-27 at White Sulphur Springs, W. Va.—doesn't even have ratings on agenda. However, subject is expected to get a bit of attention.

Corinthian Pres. C. Wrede Petersmeyer, for one, appearing on a panel, is expected to assert that ratings are necessary and that rating business has no greater percentage of villains than any other field.

He'll urge protection of those whose reputations are at stake in exposures of rating shortcomings, will come out strongly against additional regulation, will urge all-industry effort to improve ratings.

HARRIS WALKS GOVT.-INDUSTRY 'TIGHTROPE': Oren Harris doesn't make speeches about broadcasting often, but when he does he always employs the neat device of needling both FCC & industry. Last week was no exception.

In "Broadcasting & Tightrope Walking," speech prepared for April 20 delivery before Miss. Bcstrs. Assn. in Biloxi, he: (1) Threatened FCC with trouble if it goes too far into programming. (2) Threatened broadcasters with spectre of govt. ownership or govt.-operated competition if they don't program in "the public interest." And, of course, he went to town on ratings (see p. 1).

Chairman of House Commerce Committee, Rep. Harris (D-Ark.) first quoted Comr. Henry, who was reported saying, in news conference during Omaha hearings: "I don't think necessarily that the standard that the community might have [regarding programming] is necessarily the one we would have." Harris said this prompted him to write FCC Chmn. Minow and ask if Henry's statement reflected FCC policy. Harris said Minow informed him that Henry said his statement in Omaha reflected Commission's 1960 program-policy statement—wasn't a pitch for greater FCC intervention in programming.

"A careful comparison of Henry's Omaha statement and the 1960 FCC statement," Harris said, "may disclose some discrepancies." At any rate, Harris went on:

"Possibly Comr. Henry, who is relatively a novice on the Commission and newcomer to the field of broadcast law may not have properly appreciated how important it is to keep a secure foothold on the tightrope which stretches between the public interest provisions and the anti-censorship provisions of the Communications Act. I am gratified that Comr. Henry appears to have regained his balance and that he solidly subscribes to the Commission's statement on programming policy."

Harris then turned on broadcasters. He noted that attorneys are drafting bills designed to deprive FCC of "all power, duty or functions directly or indirectly, [to] evaluate or make judgments as to the public interest in the composition or character of programs. . ." This, Harris said, would substitute "private interests" for "public interest"—"which may have great attraction for broadcasters." However, he warned, it is likely "to stimulate within a very short time a public demand for complete govt. control over radio & TV programming or at least a public demand for some govt. operated radio & TV stations which will meet public needs not met by privately operated stations."

Rep. Harris also knows how to walk the tightrope.

NEW CRUX IN CATV REGULATION: Climax in CATV-regulation question may well come this week. FCC today (April 22) considers position to take, and National Community TV Assn. board meets in Washington tomorrow & Wed. to do same.

We're told that FCC & CATV operators are in very substantial agreement on most points—except the crucial one: Should FCC forbid duplication of local station programs on CATV system only in markets with one station or in markets with 2 or more? Currently, we understand that Commission leans toward applying the restrictions to 2-or-more markets, while NCTA members consider this "impossible to live with."

Though NCTA board had authorized exploration of federal regulation, through new legislation (Vol. 3:7 p2), some CATV operators are still opposed to any regulation. If FCC adopts a position today, it may well take one that permits some negotiation. Up to now, discussions have been at staff level—James Sheridan & Henry Geller representing Commission, attorneys Robert L'Heureux & E. Stratford Smith for NCTA.

FCC staff strongly recommends that Commission not compromise on the 1-station-market issue—despite CATV argument that such agreement will assure passage of legislation and that law can be amended later. CATV opposition is based on premise that systems would have little to offer if they could give subscribers only one network instead of 2 or 3. FCC staff believes that growth of TV stations could be stifled if CATV is required to protect only 1-station markets. Staff recommends 3 basic principles in legislation:

(1) For 2 years, Commission could issue rules or orders to require CATV to carry local-station signals and to refrain from simultaneously duplicating stations' signals with those from a distant station.

(2) However, during the 2-year period, FCC could issue orders protecting any station, wherever located, if public interest so indicates—with burden of proof on station or FCC.

(3) After 2-year period, Commission would adopt whatever rules it believes are needed to protect public interest.

It's understood that FCC & CATV negotiators have agreed that: (1) FCC should consider non-duplication for a CATV in light of whether similar non-duplication rules are imposed on satellites, boosters & translators. (2) Commission should take into account fact that a station requesting CATV to carry its signal may provide inadequate signal to replace that of distant station. (3) CATV needn't protect a station now operating successfully in presence of CATV or a station in area which can't normally support a station.

What FCC staff recommends, then, is really flexibility to move in whatever direction Commission believes necessary.

License fees were discussed by FCC last week, sent back to staff for revision. Some commissioners objected to fact that safety & special radio users would be paying about 3 times as much as broadcasters—about $2 million vs. $600,000—yet it takes 3 times as much money to run FCC's broadcast activities as its safety & special. FCC had been aiming to get about $5 million annually. One informed Commission source predicts it will end up getting about $1 million—and could even abandon project.

Third International TV Symposium in Montreux, Switzerland, May 20-25, has broad spectrum of subjects, including satellite TV, pay TV, color, video tape, remote control—many by U.S. participants. Dr. Allen B. DuMont, who will receive a citation, will present "Outlook into the Future." Also on "Outlook" agenda is Henry R. Cassirer, UNESCO, Paris, discussing "Potential Role of TV in Developing Areas." For complete program, write: Symposium International de Television, Case 97, Montreux.

Pay-TV spot check in Hartford reported in April 20 *TV Guide* concluded that "dearth of live programming in sports, entertainment and cultural events" is weakness that could "finally mean failure." Reporter found some disenchantment by pay-TV viewers over movie diet, said that dream of presenting Broadway plays and similar fare isn't likely to be realized because of multi-union problems in show business.

Congress of Artists & Writers of Institute of Contemporary Arts holds 5th annual meeting April 22-25 in Washington. Topic—"Mass Media and Mass Culture"—will be treated by: Charles Benton, Encyclopedia Britannica vp; Samuel Gould, ETV WNDT N.Y. pres.; Robert Saudek, Robert Saudek Assoc., N.Y., & former *Omnibus* producer-dir.; Gilbert Seldes, dean, U. of Pennsylvania's Annenberg School of Communications.

Elizabeth Taylor color special—"Elizabeth Taylor's London"—will be carried by CBS-TV 10-11 p.m. Oct. 6, sponsored by Chemstrand, produced by TV Productions of America. According to TPA's Norman Baer, she'll get highest fee ever paid to a performer for a single TV show—reportedly $400,000-$500,000 for U.S. rights alone.

Moot court competition, over WDKD Kingstree "obscenity case" (Vol. 3:12 p5), was won by Harvard Law School students arguing FCC's position. Supreme Court Justice Byron White was among judges.

TV rights for 1964 summer olympics in Tokyo acquired by NBC. Games are scheduled to open Oct. 10, 1964. NBC will present telecasts each evening, longer programs on weekends.

Can TV build a business? It has for Alberto-Culver, firm's comptroller, Robert L. De Pauw, told brokers at Midwest Stock Exchange last week. Highlights of A-C's progress: (1) Toiletry-proprietary firm was launched in 1955 with heavy TV ad campaign, has boomed ever since. (2) A-C uses TV exclusively, spent a thumping $24.5 million for gross TV time last year, double 1961 level. (3) A-C considers TV "a conservative investment," puts nearly 67% of every sales dollar into administrative & selling expenses but has average annual sales growth of nearly 85% over previous year. (4) If current spending in TV continues to grow, A-C will be in top 10 TV clients before firm's first decade of existence has finished. Said De Pauw: "Our experience has taught us that with top product and top commercial, the more we advertise it on TV, the more we sell it."

"This is Monday; color it gold"—that could well be happy directive in NBC-TV Executive Coloring Book, if there was one. Early this season, red-ink Monday nights were something NBC sales executives sang the blues about; long run of program successes at CBS-TV, and even ABC-TV, skimmed off cream billings. Mid-season addition of Monday-night movie series and strong NBC sales campaign changed all that. Now, NBC has fall "S.R.O." sign out on Mondays, with Timex and Purex picking up *The Hollywood Story* following feature films. Business is so good that 2 competing sponsors—GM motormakers Pontiac and Buick—have bought into Monday movies, albeit with alternate-week schedules. Seven-program spread for Pontiac, incidentally, involves over $1 million in fall business for NBC.

Bite will be doubled by British govt. on commercial TV program contractors, if postmaster-gen. Reginald Bevins has his way. Last week, he uncorked amendment to TV bill which would boost to $50 million govt. share of TV ad revenue, up from present $22 million. Bevins' proposal in nutshell: Initial $3.5 million in ad revenue would not be taxed, but thereafter tax bite would rise steeply to top of 40%. Program contractors such as ATV and Granada meanwhile hit back with special memorandum to members of parliament which stated 1962-63 profits will be off by some $11.5 milion anyway, and that new levies would virtually cripple smaller regional commercial firms. One immediate effect of moves & counter-moves: Commercial TV stocks took sharp downward turn in London.

NBC International has acquired "holding interest" in 3rd Sydney, Australia, commercial TV station, "Channel 10," due late 1964, operated by United Telecasters Ltd. NBC International holds 10% of CTQ Brisbane.

TAFT-TTC MOVES: August Meyer won race to buy 2 properties which must be sold before Taft Bcstg. can acquire Transcontinent TV Corp. (Vol. 3:15 p3)—paying approximately $10 million for KFMB-TV-AM-FM San Diego, $1.5 million for KERO-TV Bakersfield. Meyer heads Midwest TV Inc., owner of WCIA Champaign, Ill. & WMBD-TV-AM-FM Peoria.

Meyer purchase is contingent on FCC approval of Taft's purchase of TTC. Commission may be slow about this—because it has pending proposed rule prohibiting contingency sales.

Total payment to TTC is to be $21.20 a share for 1,770,512 shares plus assumption of about $2.5 million liabilities—so Taft presumably is putting out about $28.5 million for WGR-TV-AM-FM Buffalo, WDAF-TV-AM-FM Kansas City, WNEP-TV Scranton. TTC's WDOK-AM-FM Cleveland isn't in deal—because it was bought by TTC last May, can't be sold under FCC's 3-year rule. Taft owns WKRC-TV-AM-FM Cincinnati, WTVN-TV-AM-FM Columbus, WBRC-TV-AM-FM Birmingham, WKYT-TV Lexington, Ky.

Annual awards by *TV Guide* went to: "The Tunnel," documentary; *Huntley-Brinkley Report*, best news series; *Bonanza*, favorite series; *Bob Hope Christmas Show*, best single program; Richard Chamberlain, *Dr. Kildare* star, favorite male performer; *Walt Disney's Wonderful World of Color*, best children's series; *Beverly Hillbillies*, favorite new series; Carol Burnett, favorite female performer. First 6 are NBC, last 2 CBS.

Growing station strength in realm of syndicated TV shows is underlined by steady growth of Trans-Lux offshoot TV Affiliates Corp., which functions as cooperative exchange & sales agent for station-produced public service & entertainment shows. Last spring, when TAC got underway, it had membership of 12 stations. Today, membership is up to 55 and TAC is thinking seriously of expanding operation to include overseas broadcasters in Britain and Japan.

Live TV pickup of 3 track meets in different cities will be presented April 27 on ABC-TV's *Wide World of Sports*. Network says it will use 110 people, 17 cameras, 3 mobile units to cover live and on tape: Penn Relays from Philadelphia; Drake Relays, Des Moines; Mt. San Antonio Relays, Walnut, Cal.

Broadcast journalism will be featured May 1 as part of U. of Missouri's annual Journalism Week. Speakers: Larry Israel, TvAR; Owen Saddler, KMTV Omaha; Clinton Wheeler, Benton & Bowles; Louis Harris, political researcher; FCC Comr. Hyde; Ed Bunker, RAB.

Demand for vhf drop-in for Birmingham has been made by Rep. Huddleston (D-Ala.) in letter to FCC Chmn. Minow. He said that Birmingham is largest city in U.S. with only 2 channels, asserted that without drop-in it would be 8-10 years before city got 3rd channel.

Compensation for TV professors and their ownership rights in re-runs of video tapes, films & kinescopes are being explored by new Joint Committee on TV Policy, formed by the American Council on Education & the American Assn. of University Professors.

Personals

FCC Chmn. Minow & NAB Pres. Collins participate in "Seminar on ETV & Higher Education" April 30, before group of educators, at Airlie House, Va.

FCC Comr. Ford speaks on communications satellites April 23 or 24 before Inter-American Bar Assn. Conference in Panama City, will return via Mexico City . . . **FCC Comr. Cox** addresses Washington State Assn. of Bcstrs. in Seattle April 26; broker **Ray V. Hamilton** will also appear, discussing station sales.

Dr. Irvin Stewart, telecommunications management dir., Office of Emergency Planning, resigns April 30, returning to U. of West Virginia as political science professor. No successor named yet.

Robert W. Sarnoff, NBC chmn., received National Council of Catholic Men's special award for NBC's "33 years of creative leadership and cooperation in religious broadcasting," in Washington presentation last week.

John W. Rollins, exec. committee chmn., Rollins Bcstg., is winner of 1963 Horatio Alger Award . . . **George Olden,** ex-BBDO senior art dir., appointed vp & senior art dir., McCann-Erickson.

Alan D. Courtney, ex-CBS-TV network programming vp, joins MGM-TV in major (unspecified) executive position on West Coast . . . **Art Gross,** ex-WABC-TV N.Y. program dir., appointed sales dir., United Artists Associated western & southwestern divs.

Gordon W. Davis, asst. to vp, KPIX San Francisco, now on 2-year leave of absence as deputy dir., Radio Free Europe . . . **Jack Dix** promoted to local TV sales mgr., WFAA-TV Dallas, succeeding **Bill Hobbs,** now gen. mgr., KSYD-TV Wichita Falls.

Monroe Rifkin, ex-TelePrompTer vp, appointed exec. vp, Systems Management Co., Denver CATV firm, will also head new Capital Assistance Corp., financing div. for CATV.

Eugene Wilkin elected vp, WGAN-TV-AM Portland, Me.; **Donald Moeller** promoted to WGAN-TV gen. mgr . . . **James Kelly,** local salesman, WICS Springfield, Ill., promoted to station mgr., WCHU Champaign-Urbana.

Henry H. Fletcher, KSEI Pocatello, named to 3-year term on board of Assn. for Professional Bcstg. Education, replacing **Richard Brown,** KPOJ Portland; **Roy Morgan,** WILK Wilkes-Barre, reappointed for 3 years; **Dr. Harold Niven,** staff asst. to NAB vp **Howard Bell,** named APBE exec. secy., succeeding Bell.

Ben Miller, from TV Guide Radnor, Pa. hq, named Washington, D. C. regional mgr., succeeding late **Frank Boucher . . . Nancy Hanschman Dickerson,** ex-CBS, joins NBC News as a Washington Correspondent.

Robert King, ex-account exec., J. G. Kelly Adv., Buffalo, named WKBW-TV promotion mgr., succeeding **O. Lyle Koch,** appointed program dir.

Obituary

Walter C. Johnson, 59, vp & gen. mgr., WTIC-TV-AM-FM Hartford, died April 16 at home from cerebral hemorrhage. He joined WTIC in 1925 as station's first announcer. Native of Springfield, Mass., he is survived by his wife, sister, 2 brothers.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington 6, D. C.
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest

PAUL STONE, Editorial Director, Television Factbook
VIRGINIA SNOWDEN, Managing Editor, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938

DAVID LACHENBRUCH, Editorial Director

CHARLES SINCLAIR, Contributing Editor

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411

HAROLD RUSTEN, Associate Editor

TELEVISION DIGEST. Published Mondays. Services: $75-$150 annually.
For group rates & other subscription services, write Headquarters.

TELEVISION FACTBOOK Published Annually
TV & AM-FM ADDENDA Published Saturdays
AM-FM DIRECTORY Published Annually

More programming by CATV systems, to provide local expression, is urged by Prof. Royal D. Colle, chmn. of Ithaca College TV-Radio Dept. In winter 1962-3 issue of *Journal of Broadcasting*, published by Assn. for Professional Bcstg. Education (U. of Southern Cal., University Park, Los Angeles, Cal.), he suggests: "Where it is available, the burgeoning CATV industry could be a complement to the highly centralized programming offered over broadcast TV stations—it could truly be TV at the grassroots." He also says: "Local commercials might be substituted for the distant stations' own local commercials where the latters' advertisers do not expect someone to travel 200 miles to buy butter or tires. This raises some very sticky problems and would take much negotiation and real concern for public interest to overcome some potential difficult legal problems."

"State Federation" of broadcasters is advocated by Jack Roth, KONO San Antonio, pres. of Texas Assn. of Bcstrs. He said NAB isn't representing broadcasters properly in political area—before Congress, FCC, etc. He urged all other state broadcaster associations to join movement, form separate organization with hq in Washington. Last week, he said he'd received favorable response from 5. Number of Texas broadcasters don't agree with Roth. Roy Bacus, station mgr. of WBAP-TV Ft. Worth, said: "Roth doesn't represent the views of this station—and I think he doesn't represent any substantial number of Texas broadcasters."

Top FCC staff members will be featured at April 25 luncheon of Federal Communications Bar Assn., Willard Hotel, Washington. Chiefs of the 4 Bureaus and the exec. dir. will give short presentations, and heads of other main offices will be on hand for question-answer session.

Another Record for CBS: Best first-quarter sales & earnings in history were reported by CBS Inc. Chmn. William S. Paley last week at stockholders meeting in N.Y. Without giving figures, he said quarterly earnings will exceed last year's record $7,764,855 (87¢ a share) by 25%, and for full-year outlook is for better sales & earnings than last year's all-time high.

In a meeting frequently disrupted by professional disgruntled stockholders such as Evelyn Y. Davis and Gloria Parker (the latter a nominee for Board of Directors on "Reform Ticket"), Paley enunciated—in answer to question—what appeared to be somewhat softer view of color: "Color TV is increasing in use to some extent. We are following the situation carefully . . . Color presently represents only 2% of the total TV sets. As the number of sets grows, we will increase our color broadcasting."

In answer to another question, Pres. Frank Stanton defended use of Nielsen national TV ratings and expressed confidence industry would find ways to improve audience measurement "in 6 months to a year." He said that national TV Nielsens (as opposed to radio ratings and local TV ratings) "correlated well" with ratings supplied by other services. He said CBS is looking into charges made before House Commerce Subcommittee investigation of ratings, and is "working with the industry" to investigate. "If they don't stand up," he said, "we will use some other method for determining audiences."

In rundown of CBS's 7 operating divisions, Stanton reported:

TV network: Continued leadership in audience, advertisers & program popularity.

TV stations: Four of CBS's o&o's—"and probably all 5—continue to be first in their markets in sales." First-quarter sales for division as whole are running 10% above same period of 1962, the division's best year. CBS Films is "world's largest exporter of films made especially for TV," distributes more than 75 program series in 63 foreign countries, with first quarter sales "well ahead" of last year.

Radio: First-quarter revenues were up "substantially" over '62, and "as of today, the CBS Radio Network already has more business on its books—that is, commitments for advertising revenue—than it achieved during the whole of last year." Stanton also claimed biggest network radio audiences.

CBS News: TV output in 1962 increased 34.5% over '61, with another increase of 18.5% in first-quarter 1963 over '62 period.

Columbia Records: Stanton claimed "over-all leadership in the phonograph record industry," and worldwide progress for new CBS Records label.

CBS Labs: "Attained its forecast sales for this year, and work is under way to build a backlog for 1964."

CBS International: First-quarter sales figures declined because of economic chaos in Argentina, from which the division received over $1 million in orders in first quarter '62. Div. is expanding sales in Europe & Asia and at U.S. military PXs. First-quarter sales gains were shown in phonos, magnetic tape, broadcast equipment & appliances.

———■———

Training course in TV writing, production & programming will be offered at Stanford U.'s 21st Radio-Television-Film Institute, June 24-Aug. 17.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

UHF MARKET GUIDE SHOWS UPCOMING OUTLETS: What are the prospects for substantial number of additional uhf stations coming on air before all-channel receiver manufacture becomes compulsory April 30, 1964?

We've compiled table showing status of all markets where uhf stations are now on air, authorized to broadcast, or applied for (see pp. 8-9). It tells part, but not all, of story. It shows 83 areas where uhf stations are on air, 69 where authorizations have been granted and 47 where uhf outlets are being sought but haven't yet been granted.

Here's where uhf stands today: 116 uhf outlets now on air, of which 88 are commercial, 28 educational. There are 80 uhf construction permits (CPs) outstanding—64 commercial, 16 non-commercial. In addition, there are 67 applications for uhf stations—but these applications are for only 51 channels, of which 53 are commercial, 14 reserved for non-commercial broadcasting.

Column 1 shows stations in operation—and you can easily pick out prime uhf markets on basis of number of stations on air, such as Fresno, Peoria, Ft. Wayne, South Bend, Scranton-Wilkes-Barre.

Column 2 gives good indication of areas which will have uhf stations on air next. These areas have construction permits outstanding, and stations can begin telecasting any time they wish. In these areas, there are 29 authorized stations (indicated by †) which have been on air in past, but suspended operations for financial reasons while holding onto their authorizations in hopes of starting up again when climate is more favorable.

Some of these stations still have equipment and could go back on air virtually at turn of a switch. But once burned, twice shy—and some of these operators are extremely reluctant to start up again before all-channel set penetration is built up in their areas. And even with all-channel production virtually in sight, some present stations may have hard time remaining on air. As recently as Feb. 15, FCC authorized Montgomery, Ala. uhf to go dark for 3 months.

Column 3 shows areas where there are applications for uhf stations. You'll note that 10 of the channels (indicated by ‡) are contested, which means there are 2 or more applications for same channel by different parties. This often leads to long-drawn-out hearings, even court action, before best-qualified party is determined and station gets on air—varying from several months to years. There are shortcuts, however—such as dropouts of applicants, mergers, interim operation of station by combined group. Nevertheless, this area is imponderable in terms of time, and, of course, the more desirable the channel, the larger the market, the more likely there will be competing applicants.

Channels which aren't contested are free to be granted by FCC, provided applicant is qualified. How fast FCC will be, and how quickly permit-holders will get on air, is also unfathomable. However, in many cases, uhf grantee has much to gain and little to lose by stalling while all-channel set circulation builds up in his area.

It's still a guessing game, but based on past performance we'd be very surprised to see more than 30 new commercial uhf stations start between now and April 30, 1964—which means, by & large, uhf markets for next 12 months will mostly be uhf markets already established today.

On pp. 8-9, you'll find status of uhf stations, grantees & applicants as of today. (If you find it important to keep up with uhf station starts, grants & applications on weekly basis, we suggest our TV Addenda service, which can be mailed to you weekly with your copy of Television Digest—rates on request.)

UHF Market Guide

Stations on Air, Construction Permits and Applications

Asterisk (*) indicates non-commercial channel, dagger (†) previously on air, double-dagger (‡) contested channel. Number of channels indicated by figure in parentheses.

UHF STATIONS IN OPERATION	UHF CONSTRUCTION PERMITS	UHF APPLICATIONS
ALABAMA		
Decatur (1)	Birmingham (1)	Tuscaloosa (1)
Florence (1)	Mobile (*1)	
Huntsville (1)	Huntsville (2)	
Montgomery (1, *1)	Montgomery (†1)	
	Tuscumbia (1)	
CALIFORNIA		
Los Angeles (2)	Corona (1) (Los Angeles)	Guasti (1) (Los Angeles)
Bakersfield (2)	Sacramento (†1)	Sacramento (1)
Fresno (4)	San Francisco (†1, 2)	San Francisco (2)
Hanford (1) (Fresno)	San Mateo (*1)	Riverside (1)
San Bernardino (1, *1)		San Bernardino (1)
Visalia (1) (Fresno)		
CONNECTICUT		
Hartford (1, *1)	Bridgeport (†1, *1)	Greenwich (*1)
New Britain (1)	New Haven (1)	
Waterbury (1)	Norwich (*1)	
DISTRICT OF COLUMBIA		
Washington (1, *1)		Washington (‡1)
FLORIDA		
Miami (*1)	Miami (†1)	Melbourne (1)
St. Petersburg-Tampa (1)	Pensacola (†1)	
GEORGIA		
Atlanta (*1)	Atlanta (†1)	
	Chatsworth (*1)	
	Columbus (*1)	
ILLINOIS		
Champaign (1)	Chicago (1)	Chicago (3, ‡1)
Danville (1)	Bloomington (†1)	
Decatur (1)		
La Salle (1)		
Peoria (3)	Peoria (1)	
Rockford (1)		
Springfield (1)		Springfield (‡1)
INDIANA		
Evansville (2)		Anderson (1)
Ft. Wayne (3)		Bloomington (*1)
Lafayette (1)		Indianapolis (1, *1)
Marion (1)		Terre Haute (*1)
Muncie (1)		
S. Bend-Elkhart (3)		
IOWA		
Ft. Dodge (1)		
KANSAS		
Salina (1)		
KENTUCKY		
Lexington (2)	Ashland (1)	Lexington (1)
Louisville (1, *1)	Louisville (1, †1)	Owensboro (1)
	Corbin (1)	
	Newport (1) (Cincinnati)	

UHF STATIONS IN OPERATION	UHF CONSTRUCTION PERMITS	UHF APPLICATIONS
LOUISIANA		
		Baton Rouge (1)
MARYLAND		
Salisbury (1)	Baltimore (1)	Baltimore (1)
MASSACHUSETTS		
Adams (1)	Cambridge-Boston (†1)	Boston (‡1, *1)
Greenfield (1)	Pittsfield (1)	
Springfield (2)		
Worcester (1)		
MICHIGAN		
Detroit (1, *1)	Detroit (1)	Mt. Pleasant (*1)
Saginaw-Bay City (1)		
MINNESOTA		
		St. Paul (*1)
MISSISSIPPI		
	Jackson (1)	Hattiesburg (1)
	Meridian (†1)	
MISSOURI		
Kansas City (*1)		St. Louis (1)
Poplar Bluff (1)		
NEW HAMPSHIRE		
		West Lebanon (1)
NEW JERSEY		
	Asbury Park (†1)	Burlington (1)
	Atlantic City (†1)	Glen Ridge (*1)
	Linden-Newark (1)	Paterson-NYC (‡1)
	New Brunswick (*1)	
NEW YORK		
Binghamton (2)	Binghamton (*1)	Utica (*1)
Buffalo (*1)	Buffalo (*1)	Williamsville-Buffalo (*1)
Elmira (1)	Ithaca (*1)	
New York (1)	New York (*1)	
Schenectady (*1)	Rochester (*1)	
	Syracuse (*1)	
NORTH CAROLINA		
Asheville (1)		
Charlotte (1)	Charlotte (*1)	
OHIO		
Akron (1)	Ashtabula (†1)	Bowling Green (*1)
Athens (*1)	Dayton (†1)	Cleveland (1, ‡1)
Cincinnati (*1)		Kent (1)
Columbus (1)		
Lima (1)		Lima (1)
Newark (*1)		
Oxford (*1)		
Toledo (*1)		Toledo (1)
Youngstown (3)	Youngstown (†1)	
Zanesville (1)		
OKLAHOMA		
Oklahoma City (*1)	Tulsa (†1)	Oklahoma City (‡1)
OREGON		
	Portland (†1)	Eugene (1)

UHF STATIONS IN OPERATION	UHF CONSTRUCTION PERMITS	UHF APPLICATIONS
	PENNSYLVANIA	
Erie (1)	Erie (1)	
Harrisburg (2)	Harrisburg (†1)	
Johnstown (1)	Allentown (†1)	
Lebanon (1)	Easton (†1)	
Philadelphia (*1)	Philadelphia (1, †1)	
Pittsburgh (*1)	Pittsburgh (†2)	
Scranton-Wilkes-Barre (3)	Scranton (†1)	
York (1)	York (†1)	
	Jenkintown (1)	
	Lock Haven (†1)	
	Oil City (1)	
	Reading (†2)	
	Bethlehem (†1)	
	RHODE ISLAND	
	Providence (†1)	Providence (*1)
	SOUTH CAROLINA	
Anderson (1)		Greenville (*1)
Columbia (2)		
	TENNESSEE	
Knoxville (1)		
	TEXAS	
Richardson (*1)	Austin (2)	Victoria (‡1)
San Antonio (1)	Corpus Christi (†1)	
	Houston (†1)	Houston (1, ‡1)
	Dallas-Ft. Worth (1)	Dallas-Ft. Worth (1)
	Midland (†1)	
	Nacogdoches (†1)	
	UTAH	
Ogden (*1)		
	VIRGINIA	
Norfolk-Portsmouth (1, *1)	Norfolk-Portsmouth (†1)	Charlottesville (1)
	Danville (†1)	
	WASHINGTON	
Pasco-Richland (2)		
Tacoma (*2)		
Yakima (2, *1)		
	WEST VIRGINIA	
Parkersburg (1)	Charleston (†1)	
	WISCONSIN	
Milwaukee (1, *1)	Milwaukee (†1)	
Madison (2, *1)		
	PUERTO RICO	
		Ponce (1)
		San Juan (‡1)

ACTION FOR CONSUMER & DEALER PROTECTION GROWS: House Commerce Subcommittee hearings this week, April 23-25, on HR-3669 Quality Stabilization & similar bills (Vol. 3:15p7), focuses attention on intensifying action at state & national levels by opposing groups to protect consumers from retailers, retailers from discounters, discounters from fair-traders.

Onetime drugstore operator Sen. Humphrey (D-Minn.) picked up tempo of his fight against price cutters by introducing bill to permit independent retailers to combine resources for joint ad campaigns. FTC, of course, already is on record with view that joint ads by independent retailers offering same products at same prices may be viewed as evidence of illegal price fixing. Sen. Humphrey contends that small merchants can't "compete against giant chains & discount houses if they are not permitted to pool their limited advertising resources."

On other side of fence, National Assn. of Consumer Organizations, which will oppose price-maintenance legislation in April 25 appearance before House Subcommittee, told us last week of mushrooming interest in planned representative organization for all low-margin retailers. NACO exec. secy. Roger Courtland reported "15 to 20 new companies have indicated their support this week and we now expect some 40 to 50 major discount companies to attend our organization meeting April 29." Meeting will be at N.Y.'s Savoy Hilton Hotel, not Statler Hilton, as NACO originally announced. Among latest supporters are Almart, Big Scot, GES, Mason Discount Dept. Stores. They join such leaders as GEM, Zayre, National Bellas Hess, Maxam.

Action at state level is epitomized by Gov. Brown's appeal to California Legislature this month to enact 25 different "consumer protection" bills. Among them: Establishment of an agency to "crack down hard on cheating" by TV & other service technicians; new requirements on product warranties & guarantees; tightening of statutes covering "false & misleading advertising." Gov. Brown summed up: "As a result of confusing selling practices, not all consumers are spending their income wisely . . . nor do they always get their money's worth."

N.Y.'s State Legislature has just passed & sent to Gov. Rockefeller for signing a bill that condemns false advertising as a deceptive practice, squarely fixes responsibility on person who prepares it, and authorizes Attorney General to apply to courts to obtain civil penalties.

We spoke with Charles W. Stickle, executive assistant to state's Attorney General, about rising consumer complaints pouring into N.Y. State Bureau of Consumer Frauds & Protection. Complaints involving TV

sets, radios & phonos "have been substantial in the past," he said, and bureau will continue to press for legislation to eliminate cause of complaints. Legislature failed to pass at its last session this month Bureau-supported (1) Model Year Bill, which would require manufacturers to date model year on each TV set & appliance, to pull teeth of dealers who pass off earlier models as latest; (2) Proposal to license TV technicians.

In Wisconsin, however, bill to license TV technicians has just been introduced. It would create 5-man Board of TV Technicians, appointed by governor, that would license technicians & administer examinations for new technicians. Bill also provides, among other consumer protections, restriction on use by technicians of term "authorized" unless they actually have written authorization from TV manufacturers to service their receivers.

Fair trade also made more news last week. "There's a much greater interest in the entire industry in fair trade or some form of price stabilization than in many years," noted E. B. Barnes, sales vp of American Motors' Kelvinator Div. Fair trade program introduced by Kelvinator in California last June has produced substantial increase in volume & gain in dealerships, he said. Kelvinator now is studying feasibility of extending fair trade to other markets in which "majority of dealers" express desire.

TV-RADIO PRODUCTION: EIA statistics for week ended April 12 (15th week of 1963):

	Apr. 6-12	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV.....	137,969	137,985	131,535	2,021,136	1,946,672
Total radio	332,909	350,536	365,624	4,886,122	5,363,117
auto radio	147,956	169,786	133,376	2,256,965	1,886,897

Zenith celebrates record first quarter with 2-page trade ads making these claims, on basis of unit distributor-to-dealer sales: (1) "B&w TV sales smash all first quarter records—share of industry first again by a wide margin!" (2) "Zenith color TV sales double 1962 first quarter—Zenith now in very dominant 2nd place and still gaining!" (3) "Zenith radio sales gain greater share of industry—even greater than tremendous first quarter of 1962!" (4) "Stereo sales hit all-time first-quarter high—9 months since introduction of Micro-Touch [tone arm were] highest 9 months in history!"

First 16-in. 90-degree color set, measuring less than 17 in. from front to back, was announced in Tokyo by Matsushita Electric for sale in Japan this summer at around $550. Company presumably plans to export set to U.S. under its Panasonic label. First Japanese 16-in. set was shown recently at IEEE show in N.Y. by Toshiba, but this model had deep 70-degree tube (Vol. 3:13 p8).

FM-stereo table models are gradually moving into lower price range. Zenith last week broke trade ad campaign for its new compact unit at $139.95 ($149.95 with walnut-grained cabinet). New FM-stereo and AM radio is Zenith's first with hinged speaker doors, can be played with doors open, closed or removed from cabinet for greater separation.

Transistorized electronic ignition system for cars & trucks was unveiled at International Automobile Show in N.Y. by Motion Inc., subsidiary of Tung-Sol, at $59.95. Motion also announced that its earlier capacitive discharge electronic ignition system is now available for cars & trucks.

Ban on FM radio sets on civil aircraft was made permanent by FAA because, it said, they can interfere with navigation instruments. Temporary ban started May 1961.

TV set prices have dropped 7%, radios 9% since 1957-59, despite 15% rise in average wage level, noted April 15 *Wall St. Journal* analysis of progress in automation. "The phenomenon spotlights the other side of automation, *Journal* emphasized, adding: "Much attention has been focused on how automation & other technological gains in manufacturing have deprived several million persons of jobs. But little light has been turned on the better bargains for 19 million U.S. consumers—despite sharply higher hourly labor rates." Analysis also points out: "Price record has been achieved without cutting deeply into profit margins. After-tax profits per sales dollar of U.S. manufacturers amounted to about 4.5% in 1962. That's up from 4.3% the year before. It compares with only 4.1% in 1958."

Sear's color & uhf promotions in N.Y.C. market, as featured in recent advertised specials: Color set, with 90-day free home service and one-year parts warranty, $399. All-channel 19-in. slim portable b&w set, $128. Both sets were featured in area retail stores, don't reflect catalog prices.

Matsushita Electric will use TV for first time to promote its Panasonic TVs, radios, tape recorders. Ad campaign opens June 1 in Boston, Cleveland, Pittsburgh & Baltimore;company is seeking time in N.Y. & Chicago.

New multi-set couplers introduced by Blonder-Tongue: Color-4, designed for color reception in systems with up to 4 sets ($9.95); Set-2, all-channel coupler for 2-set systems ($3.20).

RCA's new lines of color & b&w TV, radios, phonos and tape cartridge recorders will be introduced to distributors May 15-17 at Riviera Hotel, Las Vegas.

Admiral is enlarging its Canadian TV-radio-appliances plant at Port Credit, Ont., will complete new addition—its 5th—in June.

Trade Personals

Dr. Elmer W. Engstrom, RCA pres., will address opening day luncheon of SMPTE convention April 22 at Atlantic City on "Horizons in Electronics."

Mark W. Cresap Jr., Westinghouse pres., is member of 5-man businessmen committee, chaired by Ford Motor Chmn. **Henry Ford II,** that will work on new tax bill for Administration.

Lynn L. Long named Sylvania Tube Div. sales administrator.

Edgar H. Griffiths appointed RCA International Div. international finance vp, a new post; **Erwin Schuller** named international financial advisor effective April 30, serving as consultant to RCA & subsidiaries.

Allan Gardner, Wells-Gardner vp & sales mgr., elected a dir., succeeding late **Henry C. Bonfig . . . Charles Mauer** named Sony Corp. of America national service mgr., Consumer Products Div., a new post.

Joel P. Smith named Jerrold Electronics' Community Antenna Systems Operations Div. mgr., replacing **Daniel Aaron,** resigned; **Joseph J. Kontuly** appointed asst. ad & sales promotion mgr.

Paul Smith, Esquire Radio vp, elected a dir. of parent Esquire Radio & Electronics.

Richard A. Campbell named operations vp of Thompson Ramo Wooldridge subsidiary TRW Electronics; **Thomas M. Fitzgerald** appointed vp-gen. mgr. of Pacific Semiconductors, 90% owned by Thompson Ramo Wooldridge.

Charles Grove, Grove Refrigeration & Air Conditioning vp, elected pres. of NARDA's Ohio Chapter.

J. D. Winer resigns as Capehart chmn. & a dir.; **Dr. Joseph H. Vogelman,** research, development & engineering vp, appointed a dir.; **Leonard J. Schwartz,** field engineering dir., appointed a corporate vp.

Eric C. Herud, onetime asst. chief engineer for Du Mont TV Network, named mgr. of Du Mont Labs' new Medical Instrument Dept.

David M. Beckerman named Radio Shack Retail Div. & operations gen. mgr., succeeded by **Ernest Kalinish** as ad mgr.

Distributor Notes: **Westinghouse** names **Charles Ross** TV, radio, major appliance regional mgr. for eastern Pa., N.J., Md., Del., Va. & D.C., succeeding **Leo Cronson,** who retires May 1 after 30 years with company • **TV Development** appoints **Ralph E. Walker** district sales mgr. for northern Ill. & eastern Wisc., headquartering at 1929 N. Newland Ave., Chicago • **David Brody,** ex-John M. Otter Co. vp-gen. sales mgr., named Philadelphia-area rep for **Grundig-Majestic** • **Sharp Co.** appoints **W. A. Rich Co.** (1711 West Roosevelt, Phoenix) Arizona distributor for TV & home entertainment lines.

—■—

Admiral has kicked off $1.2 million 2nd quarter ad campaign for TVs, radios, phonos, appliances. First-quarter ad spending totaled $1.8 million.

Fisher Radio is advertising free offer to consumers, 40-page "Fisher Handbook—An Authoritative Guide To Custom Stereo."

RCA Posts Record Quarter: RCA opened 1963 with Jan.-March sales & profits greatest of any quarter in its 44-year history (see financial table). Profits jumped 19% to $17.3 million from year-earlier's record $14.5 million on 3% sales gain to $436 million from record $425 million. NBC also scored peak first-quarter sales & profits.

"Color TV was among the most significant elements in first-quarter earnings, with sales of color sets & services moving at a pace reminiscent of the early growth of b&w TV," Chmn. David Sarnoff & Pres. Elmer W. Engstrom noted. Over-all TV sales set first-quarter record, they added (Vol. 3:15 p10).

"We anticipate that RCA's sales & earnings, subject to the continued vigor of the national economy, will maintain their upward movement in an environment of expansion for electronics as a whole," Sarnoff & Engstrom emphasized.

—■—

Mergers & acquisitions: ITT and **Bell & Gossett Co.,** Morton Grove, Ill. maker of pumps, heating & refrigeration equipment, have agreed to merge. Subject to approval of Bell & Gossett stockholders & certain conditions, ITT would pay some $47.8 million for assets by issuing 696,422 shares of ITT common & 145,487 shares of cumulative convertible preferred for Bell & Gossett's 2,078,385 outstanding common shares • **Ling-Temco-Vought** now owns 27.5% of **Scam Instrument Corp.'s** 3,448,608 shares, following merger of latter with **Information System Inc.,** Skokie, Ill. maker of electronic & control equipment for industrial automation systems. L-T-V owned 61% of Information Systems prior to amalgamation with Scam, Chicago manufacturer of enunciator & signaling systems • **Sylvania** has sold to **Hupp Corp.** its 85% interest in Golden Shield-Puerto Rico, its TV-radio distributor there. Sylvania sold its majority interest in parent Golden Shield Corp., Great Neck, N.Y. early last year (Vol. 2:2 p8). Latter will retain its interest in Puerto Rican branch.

Motorola's first-quarter earnings dropped "upwards of 50%" from year-ago's $2.5 million despite sales rise from 1962's March-quarter volume of $77 million, Pres. Robert W. Galvin reported. He attributed profit drop to stepped-up investment in color TV, preparations to produce color picture tube, and start-up costs for 15 new products introduced by Semiconductor Div. Despite downbeat opening quarter, Motorola expects profit decline to reverse in 2nd quarter, foresees record earnings in 3rd. Galvin said Motorola & National Video will introduce new color tube this summer. Re new semiconductor products, he said: "We consider each one of these a major development of its own, but each required very expensive engineering, installation & pilot runs."

Entron Inc., Silver Spring, Md. manufacturer & owner of CATV systems, posted record sales of $2,679,490 for year ended Feb. 28, an increase of 97% over preceding year. Net income was $137,317 compared with loss of $373,792 for preceding year. Earnings equalled 50¢ a share on 272,135 shares vs. loss of $1.37 per share in prior year.

Consumer ability to pay past-due bills declined during Jan.-March for 2nd consecutive quarter, American Collectors Assn. reported. ACA's index, keyed to 1953 base of 100, showed decline to 97.1 from 97.2 a year ago & 98.8 in 1962's final quarter.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
CTS Corp.	1963—year to Mar. 31	$ 28,867,246	$ 2,217,710	$ 2,222,526	$1.50	1,482,003
	1962—year to Mar. 31	23,700,815	2,162,406	2,021,505	1.40	1,447,003
	1963—qtr. to Mar. 31	7,293,933	567,714	619,149	.42	1,482,003
	1962—qtr. to Mar. 31	6,672,486	495,404	550,014	.38	1,447,003
Electronic Specialty	1963—qtr. to Mar. 31	16,753,006	1,049,788	574,788	.40	1,440,557
	1962—qtr. to Mar. 31	14,999,886	987,224	589,224	.41	1,440,557
GT&E	1963—qtr. to Mar. 31	332,479,000[3]	—	22,060,000[3]	.29	75,264,000
	1962—qtr. to Mar. 31	317,906,000	—	18,162,000	.25	73,470,000
Macfadden-Bartell	1963—qtr. to Mar. 31	—	—	483,651	.30	1,593,482
	1962—qtr. to Mar. 31	—	—	(136,458)	—	1,593,482
P. R. Mallory	1963—qtr. to Mar. 31	24,441,022	1,833,888	864,221	.53[1]	1,617,353
	1962—qtr. to Mar. 31	24,506,709	2,259,462	1,074,321	.66[1]	1,501,848
MGM	1963—28 wks. to Mar. 14	70,114,000	—	(8,716,000)	—	2,569,229
	1962—28 wks. to Mar. 14	70,766,000	—	2,553,000	1.00	2,545,229
Metromedia	1963—qtr. to Mar. 31	13,527,470	—	703,283[3]	.40[1]	1,715,044
	1962—qtr. to Apr. 1	12,270,314	—	138,732[5]	.07[1]	1,707,057
Movielab	1962—year to Dec. 29	6,549,244	555,778	292,278	.86	341,010
	1961—year to Dec. 29	5,810,577	520,974	279,474	.82	341,010
Muter Co.	1963—qtr. to Mar. 31	4,172,531	212,126	104,561	.08	1,257,695
	1962—qtr. to Mar. 31	4,132,740	150,059	72,701	.06[2]	1,199,094
Paramount Pictures	1962—year to Dec. 31	106,286,000	—	(3,410,000)	—	1,681,681
	1961—year to Dec. 31	115,514,000	—	5,668,000	3.35	1,684,481
RCA	1963—qtr. to Mar. 31	436,000,000[3]	35,300,000	17,300,000[3]	.95	17,364,000
Story on p.11	1962—qtr. to Mar. 31	425,000,000	28,900,000	14,500,000	.81	16,913,000
Raytheon	1963—qtr. to Mar. 31	126,409,000	4,146,000	(1,434,000)[4]	—	4,124,858
	1962—qtr. to Mar. 31	157,334,000	5,219,000	2,499,000	.60	4,013,754
Texas Instruments	1963—qtr. to Mar. 31	59,797,000	5,376,000	2,455,000	.61	3,948,238
	1962—qtr. to Mar. 31	57,483,000	4,663,000	2,411,000	.60	3,945,613
Vornado	1963—6 mo. to Feb. 28	78,313,968	—	2,438,654	1.86	1,310,593
	1962—6 mo. to Feb. 28	57,081,325	—	1,936,843	1.48	1,310,593
	1963—qtr. to Feb. 28	39,420,646	—	1,415,450	1.08	1,310,593
	1962—qtr. to Feb. 28	28,878,919	—	1,072,914	.82	1,310,593
Wells-Gardner	1963—qtr. to Mar. 31	3,764,000	—	(53,000)	—	422,400
	1962—qtr. to Mar. 31	4,380,000	—	62,000	.15	422,400
Westinghouse	1963—qtr. to Mar. 31	489,742,000[3]	23,588,000	12,588,000	.34[1]	35,633,070
Story below	1962—qtr. to Mar. 31	460,466,000	21,178,000	11,778,000	.32[1]	35,618,153

Notes: [1] After preferred dividends. [2] Adjusted to reflect Jan., 1963 5% stock dividend. [3] Record. [4] After special $3,350,000 charge for phasing out East Coast semiconductor operations (Vol. 3:10 p10). [5] Before $2.6 million gain on sale of certain assets.

Westinghouse Nets Record Sales: Although Westinghouse previously predicted 1963's opening quarter would be poorest of year in sales & earnings (Vol. 3:14 p15), Jan.-March returns showed record sales & new orders and 7% boost in profits (see financial table). Sales climbed 6.4% to peak $489.7 million from $460.5 million in 1962's March quarter. Earnings rose to $12.6 million from $11.8 million. Backlog jumped 22%, highest since end of 1953.

Some consumer goods lines were among those that produced billings increases, Pres. Mark W. Cresap Jr. reported. Electronic components also recorded gains. Earlier, he had told annual meeting that March quarter's performance "won't reflect the profit-producing capability for the full year."

Republic Corp. anticipates that sales & earnings in fiscal-1963's 2nd quarter, ending April 30, will be "substantially ahead" of year-ago's $11.2 million revenues & $559,632 profits.

Magnavox, which posted record 1962 sales & earnings (Vol. 3:12 p11), closed year with total current assets of $74,869,597 vs. total current liabilities of $35,742,165—compared with $61,264,229 & $28,550,535 at end of 1961. Cash increased to $8,725,539 from $5,860,151. Accounts receivable rose to $19,329,546, plus $11,495,778 due from govt. & other defense contracts, from $14,579,454 plus $10,442,634. Finished goods inventory was valued at $7,871,095 vs. $6,914,582 a year earlier. Earnings retained & invested in the business totaled $27,348,906 vs. $19,075,530 at 1961's close.

P. R. Mallory has retired its preference stock, no longer has any outstanding equity securities senior to its common shares. In response to its redemption call last Feb. for its 73,131 preference shares, company has converted more than 97%, or 71,209 shares, into 86,082 common shares. Redemption & fractional-share payment totaled $105,449.

NAB LIBRARY
APR 29 1963

WEEKLY

Television Digest

with

Consumer Electronics . . . (starts page 7)

APRIL 29, 1963 NEW SERIES VOL. 3, No. 17

The authoritative service for executives in all branches of the television arts & industries

IN THIS ISSUE: Broadcasters With Community Antenna System Interests (p. 3)

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

RATINGS—DAMAGE SUITS, USER REACTION: WAME Miami sues Nielsen & Pulse; Harper, Codel, plea for competitive services; NAB Research Committee, Harris Subcommittee meet today (p. 1).

NO FCC-NCTA AGREEMENT ON CATV LAW, but some operators see 'glimmer of hope.' Fact-finding committee to show Commission probable results of regulation in multiple-station markets. Canadian govt.-industry conflict coming to head (p. 2).

UHF PROSPECTS & PITFALLS checked off by AFCCE Pres. Steel, who says 'go first class' in station equipment. All-channel committee developing steam (p. 3).

ANNENBERG $1.5 MILLION ETV GIFT—complete facilities of WFIL-TV Philadelphia going to WHYY-TV in Fall when Triangle stations move to new plant (p. 5).

Consumer Electronics

RADIO RIDDLE PONDERED by puzzled industry: Why are sales running 14% behind last year? Among suggested causes: Imports, saturation, dealer reluctance, bad weather (p. 7). Two-month figures show phono sales up 40%, TV up 6% (p. 10).

23-IN. COLOR TUBE scheduled for production next month by National Video; Motorola to use it in high-end models, with 21-in. in other color sets. Tube to be offered to other set makers by end of year, about $10 higher than 21-in. Rauland color output in May (p. 8).

TOP TV BRANDS-IN-USE in 15 markets shown in annual newspaper-sponsored Consolidated Consumer Analysis; 13 TV set brands ranked according to percentage of households owning them (p. 8).

MORE RECORD QUARTERS: Magnavox & Zenith open 1963 with new highs in both sales & earnings; Zenith Chmn. Hugh Robertson reports upbeat business, puts April volume $3 million ahead of 1962 (p. 11).

RATINGS—DAMAGE SUITS, USER REACTION: Repercussions of Washington ratings hearings brought these developments among others last week: (1) First suits against Nielsen & Pulse, by radio station, seeking damages. (2) Growing body of reaction by ratings users—agencies, reps, stations—against govt. intervention in the business and for maintenance of a non-user-connected competitive ratings system.

First to file suit, possibly first of many, was radio WAME Miami, whose Murray Woroner was one of first to testify before Harris Subcommittee. Filed in Circuit Court of Dade County by Miami lawyer Irving J. Whitman, suit seeks $250,000 each from Nielsen & Pulse, plus punitive damages, charges misrepresentation, says methods used didn't give true listening audience, states that advertising agencies rely on ratings in buying time, asserts systems are "comparable to fraud." We hear that many other stations contemplate suits.

At convention in White Sulphur Springs, W. Va. last week, AAAA Chmn. Marion Harper, one of ad agencies ablest spokesmen, called for govt.-hands-off and asked that rating services be allowed to compete in free marketplace (see p. 5).

Stations' national sales reps, prime ratings users, surprisingly absent from witness stand (though quizzed by investigators earlier), maintain a "wait & see" attitude, according to Edward Codel, Station Representatives Assn. pres., Katz Agency TV dir. He strongly opposes establishment of a single industry-supported measurement, told us: "A single system would work a great hardship on the business. There would be no recourse. No one has a foolproof service. The different methods, offering a competitive service, is still the best system." After NAB convention, several broadcasters had told Harris they'd like to see a single "ideal" system drawn up by CCNY Prof. Dr. Herbert Arkin, Subcommittee statistical consultant.

Some Subcommittee members are incensed over A. C. Nielsen Jr.'s blast at their hearings (Vol. 3:16 p1). He changed that Subcommittee "already decided we were guilty" before firm testified, that hear-

ing process is "immune from laws of libel & slander," that group turned down Nielsen's offer of witness to refute charges by 3 former field men. At least 2 Subcommittee members—one Democrat, one GOP—say they'd like to see Nielsen Jr. on stand. Subcommittee meets today (29), will decide next moves—when to call next witnesses, consultation with FTC, FCC & Justice Dept., etc.

Harris is in no rush. As we indicated (Vol. 3:16 p1), he's giving industry chance to come up with corrective moves before making his recommendations. Staff investigator Robert Richardson is back from vacation and, with chief counsel Charles Howze, will start on report due for release this summer.

Nielsen's meetings with clients in N.Y. April 24-26 were similar to Chicago session (Vol. 3:16 p2). About 350 agency, advertiser & network brass attended closed Summit (Hotel) meetings. Nielsen Jr. & Exec. vp Henry Rahmel answered questions after Nielsen's delivery of "The Researcher Replies." Questions covered sample size, editing, field supervision, Audimeter installation, inclusion of Mountain Time Zone, etc.

Some advertisers were interested in paying for larger samples to get more reliable demographic data —though some agency spokesmen reportedly were opposed. Nielsen is planning to call news conference May 1, is expected to announce speedup in installation of new sample, based on 1960 census. Harris Subcommittee charges that sample has changed little since 1947.

NAB Pres. Collins, speaking before Advertising Federation of America meeting in Orlando last week, asserted: "It is not too late for us to put this part of our house in order before the govt. insists upon doing the job for us."

NAB Research Committee meets today (29) in Washington to prepare outline of final plan for permanent audit & standards group, for report Pres. Collins will submit to NAB boards & Harris. Working with NAB committee are network researchers, academicians, allied trade groups. NAB audit plan will call for "joint effort."

NO FCC-NCTA AGREEMENT ON CATV LAW: The major point of dispute between FCC & NCTA over prospective federal legislation (Vol. 3:16 p3) remained unresolved last week—but it may not be a hopeless deadlock.

FCC voted unanimously April 22, accepting staff's recommendation that proposed law leave Commission free to impose regulations on CATVs in communities with more than one station. This word was passed to NCTA board, which met in Washington next 2 days. But board didn't throw up its hands and go home. It decided to study exactly what would happen—economically, technically, practically—if FCC's proposal were law—give Commission its findings. Committee headed by Archer Taylor, Missoula, Mont., has the job. Then, another committee, headed by A. J. Malin, Rochester & Laconia, N.H., has duty of continued liaison with Commission. According to one member attending board meeting, "there's the glimmer of hope." Another said: "There's more maturity of thinking in the group than I've ever seen before."

Canadian TV-radio regulators are getting worried about CATV, too. Board of Broadcast Governors has called June 4 hearing in Ottawa, stating: "The Board's concern centers around the fact that broadcasting stations, as a condition of license, are directed by law to achieve certain national purposes. Distribution of programs by cable system is not so directed." Because of "vital nature" of hearings, BBG said, it's arranging to broadcast sessions on TV & radio.

Much aroused by BBG leanings, National Community Antenna TV Assn. of Canada (3010 Bloor St. W., Toronto) is gearing for battle, giving subject top billing at annual May 7-10 convention in Ottawa.

Like it or not, industry is adjusting itself to fact that more & more broadcasters are deciding to control & profit from CATV instead of fighting it. Though FCC, Congress & CATV interests can't yet agree on federal legislation—most observers believe CATV will be put under Commission's wing sooner or later. Fact is, CATV won't go away—because it brings more services to more people, and public is willing to pay for it.

No one has attempted a complete compilation of TV-radio operators who have CATV interests. Herewith, on p. 3, is our starter—and we invite additions, deletions & corrections to increase its authoritativeness. In some cases, cross-ownership may be minor. We're also including former broadcasters—believing they're no less illustrative of trend.

Broadcasters With CATV Interests

Following are listed by station location or by headquarters of broadcasting parent. Includes former broadcasters. Name in parentheses is that of principal owner or managing executive.

STATIONS	CATV SYSTEMS
KIVA Yuma, Ariz. (Bruce Merrill).	Christmas, Globe, Miami, Phoenix, Ray-Sonora, Yuma, Ariz.; Big Bear Lake, Brawley, Calexico, El Centro, Holtville, Imperial, Cal.; Panama City, Fla.
KCOP Los Angeles, Cal.; KPTV Portland, Ore. (Bing Crosby).	Indio, Rancho Mirage, Cal.
KSBW-TV Salinas-Monterey, Cal. (John C. Cohan).	Salinas-Monterey, Cal. (franchise)
Harry Butcher, ex-KEYT Santa Barbara, Cal.	Santa Barbara, Cal.
KCTO Denver, Colo.; KTVW Tacoma-Seattle, Wash.; radio KELA Centralia, Wash. (J. Elroy McCaw).	Chehalis, Wash.
Televents Corp., Denver, Colo. (Alfred Stern, ex-NBC vp).	Fayetteville, Ark.; Athol, Orange, Pittsfield, Mass.; Little Falls, Minn.; Claremont, N.H.; Aztec, N.M.; Allegany, Olean, N.Y.; Coos Bay, Eastside, Empire, Myrtle Point, North Bend, Powers, Ore.; Bradford, Clearfield, Eldred, Minersville, Pottsville, Schuylkill Haven, Warren, Pa.; Bellows Falls, Vt.; Harrisonburg, Va.
Mrs. Frank Russell, Washington, D.C. (wife of ex-NBC vp)	Ellensburg, Wash.
Radio WKWF Key West, Fla. (John Spottswood).	Key West, Fla.
Radio KOJM Havre, Mont. (Charlotte Braden).	Havre, Mont.
Radio KPRK Livingston, Mont. (Paul McAdam). (Station being sold)	Anaconda, Big Timber, Butte, Dillon, Helena, Lewistown, Livingston, Miles City, Mont.
Radio WWNH Rochester, N.H. (Albin Malin).	Laconia, N.H.
Fortnightly Corp., N.Y., buying WBOY-TV Clarksburg, W. Va. (Nathan Levin).	Clarksburg, Fairmont, W. Va.
RKO General Inc., N.Y. WOR-TV-AM-FM, N.Y.; WNAC-TV-AM-FM, Boston; KHJ-TV-AM-FM Los Angeles; WHBQ-TV-AM Memphis; WHCT Hartford; CKLW-TV-AM-FM Windsor-Detroit; radio WGMS & FM Washington; radio KFRC & FM San Francisco. (Hathaway Watson).	Concordia, Kan.; Clarksdale, Gulfport, Miss.; Altus, Ardmore, Hobart, Hugo, Mangum, Okla.; Bonham, Childress, Memphis, Port Lavaca, Sherman, Lufkin, Wellington, Tex.
WECT Wilmington, N.C. (Dan Cameron).	Wilmington, N.C.
Cox Stations, Dayton, O. WHIO-TV-AM-FM Dayton; WSOC-TV-AM-FM Charlotte, WSB-TV-AM-FM Atlanta; radio WIOD Miami. (J. Leonard Reinsch).	Lewistown, Lock Haven, Tyrone, Pa.
KBES-TV Medford, KOTI Klamath Falls, KPIC Roseburg, Ore.; KVIP-TV Redding, Cal. (William Smullin).	Ashland, Grants Pass, Klamath Falls, Medford, Roseburg, Ore.
Radio WRTA Altoona, Pa. (Martin Malarkey).	Wilmington, N.C. (with WECT)
Triangle Stations, Philadelphia, Pa. WFIL-TV-AM-FM Philadelphia; WFBG-TV-AM-FM Altoona; WNBF-TV-AM-FM Binghamton; WNHC-TV-AM-FM New Haven; WLYH-TV Lebanon, Pa.; KFRE-TV-AM-FM Fresno. (Roger Clipp).	Binghamton, N.Y. (franchise); New Haven, Conn. (applicant).
WIS-TV-AM Columbia, S.C.; WSFA-TV Montgomery, Ala. (G. Richard Shafto).	Ocala, Fla.; Myrtle Beach, Conway, Georgetown, S.C.
KTBC-TV-AM-FM Austin, Tex.; KWTX-TV-AM Waco, Tex.; KXII Ardmore, Okla. (Mrs. Lyndon B. Johnson).	Austin, Tex. (franchise).
KTRE-TV-AM Lufkin, Tex.; KLTV Tyler, Tex. (Marshall Pengra).	Lufkin, Tex.
Kerns-Tribune Corp., part-owner of KUTV Salt Lake City. (J. W. Gallivan).	Elko, Nev.
Radio KXRO Aberdeen, Wash. (Fred Goddard).	Aberdeen, Montesano, Wash.

UHF PROSPECTS & PITFALLS: A uhf enthusiast who looks for solid growth over long haul is Washington consultant David L. Steel, pres. of Assn. of Federal Communications Consulting Engineers. We asked him about do's & don't's last week, got these points:

(1) "We need a good 3-or 4-position converter, and it should look good. These continuous tuners are difficult for the average person to tune. You've got to make it easy for them."

(2) "Transmission facilities must be first class. You remember that some stations started with 100-watt transmitters in the early '50's? Their service areas were garbage dumps—and some of them are still garbage dumps, even though the power was increased. The public never got over it. Give them plenty of power. The extra cost of adequate facilities is peanuts compared with the cost of operation. The savings made possible by the FCC's relaxation of technical standards don't mean much—maybe for satellites, but not for basic installations."

(3) "There ought to be a law on all-channel receiving lead-ins. They ought to make everyone install good lines. Twin leads are for the birds on uhf—particularly in bad weather."

(4) "Uhf receiving antennas hold up surprisingly well, better than vhf. They're compact. Vhfs are long and often flimsy, breaking down in wind & ice."

(5) "I'd like to see pre-amps on receiving antennas. Mass production could bring the price down."

(6) "I don't see need for a final amplifier at the transmitting antenna, as some people advocate. With a good transmission line—more expensive, true—you can get 85% transmission in 1,000 ft., about the same as vhf. Go first class if you're going at all."

Steel predicts that about 100 uhf applications will be filed this year, and that 1964 will be the big year of construction. He's impressed with stature of current applicants, notes that most can stand gaff of several years' losses.

What really gripes Steel, however, is FCC slowness in acting on applications. "Applications sit there, in the clear for months—until someone files on top of them, delaying grants for years. You can examine one of these applications in minutes and tell whether it's grantable or not. I appreciate the fact that FCC has other things to do, but there are people ready, willing & able to get on the air—if given a chance. You've got to have at least 2 uhfs in a city."

Steel is member of FCC-sponsored Committee for the Full Development of All-Channel Broadcasting, looks for impressive results. Committee on Consumer Information met in Washington last week, heard those master promoters—FCC Comr. Lee & EIA's Sandwick—describe plans for dealer-servicemen symposiums in N.Y. & Chicago. N.Y. session is set for May 14 at Carnegie Hall, leading off with Mayor Wagner & Lee. Chicago meeting is planned for July 22, at Palmer House, during convention of National Assn. of Music Merchants.

N.Y. symposium will be moderated by WNYC-TV's Seymour Siegel, includes: Harris Wood, Philco; Lee's engineering asst. Robert Weston; Jack Warganz, Knickerbocker Distributing, Long Island City; Ed Cicchetti, CSI Electronic Servicing, Flushing. FCC Comr. Henry will present plaque to outstanding N.Y. all-channel-set retailer. Chicago details are yet to come.

Technical Development Committee met in N.Y. last week, established 5 task groups, gave them 18 tasks: (1) All-channel sets, Harris Wood, Philco, chmn. (2) All-channel receiving antennas & antenna systems, Jack Beever, Jerrold, chmn. (3) Uhf transmitters & studio equipment, Harold Towlson, GE, chmn. (4) Uhf transmitting antennas & systems, Wayne Masters, Melpar, chmn. (5) Over-all systems & FCC rules (coordinating other 4), Charles Hirsch, RCA, chmn.

Unusual new CATV operation is that planned by Vincennes U., Vincennes, Ind. As a state agency, it has sold $770,000 worth of 5¾% bonds to investment firm of Goodbody & Co., to finance new systems in Vincennes & Washington, Ind. Another bond issue is planned to finance systems in Lawrenceville & Bridgeport, Ill. University had retained management consultants Howard S. Frazier Inc. to see whether Vincennes could support combination commercial-ETV station. Frazier judged that it couldn't—but CATV was recommended as source of income for pure ETV station—and school has asked FCC to reserve Ch. 52. In 6 years, Frazier estimates, Vincennes will have 4,900 subscribers, Washington 3,125. Frazier, incidentally, reports his firm working on 18-20 systems in various stages of planning—including Fayetteville, N.C., where city council has voted tentatively to franchise local group. NCTA reports following new members: Long Island Cable Vision Corp., Bayside, N.Y.; Cablevision of Va., Covington, Va.; Lee County TV, Beattyville, Ky.; Dryden Community Antenna Corp., Dryden, N.Y.; Okaloosa TV Cable Co., Ft. Walton Beach, Fla.; Flora TV Cable Co., Flora, Ill.; Owsley Co. TV, Booneville, Ky.; Laverne TV Cable Co., Laverne, Okla.

NAB study committee, to weigh concept of setting up a program department (Vol. 3:13 p1), has been appointed by Pres. Collins: From TV board—Joseph Baudino, Westinghouse (co-chmn.); John Dille, WSJV South Bend-Elkhart; Eugene Thomas, KETV Omaha. From radio board: Allan Page, KGWA Enid, Okla. (co-chmn.); Harold Essex, WSJS Winston-Salem; Cecil Woodland, WEJL Scranton. Proposed department, Collins said, would "develop studies & aids to improve the expertise of NAB's radio & TV members and also would serve as a central source in an exchange of program information & ideas which have proven successful." First meeting is May 2.

Fine of $1,000 has been ordered by FCC for radio KRSD Rapid City, S.D.—for operating with defective remote control equipment and for failing to inform FCC when corrections were made.

ABC-TV network & owned stations appoint C. J. LaRoche & Co. to handle advertising, succeeding Doyle Dane Bernbach.

Sale of WREC-TV-AM Memphis, from Hoyt B. Wooten to Cowles Bcstg., for $8 million, has been approved by FCC.

RATINGS REVERBERATE AT 4A: Fallout from ratings explosion triggered by Chmn. Harris's House hearings could be easily detected at annual 4A meeting last week at W. Va.'s Greenbrier. Voiced publicly in speeches or discussed informally during coffee breaks and cocktails, rating question was very much on mind of top brass of nation's leading ad agencies & media guests.

Keynote speech by Marion Harper Jr., head of Interpublic (McCann-Erickson) & retiring chmn. of 4A, put immediate spotlight on problem at opening-day (25th) lunch. Reaction stirred by Harris hearings, Harper said, was "excessive," and was leading to "misunderstanding of the nature of good research practice." Failures, he added, arose "when design of the research project is poorly related to its purpose."

Joint research activities involving advertisers, agencies & media were, in his opinion, "doomed to failure" since they evolved "techniques that are compromises" and put prime focus on "participating interests" rather than knowledge to be uncovered.

Harper also warned against "the organization of a govt. research system" which, he said, "could be used to support a policy after it was no longer a reflection of people's preferences."

Real progress in research, Harper said, will be achieved mainly "by individual practitioners when they're free to develop their own techniques and to succeed or fail in the business marketplace."

C. Wrede Petersmeyer, pres. of Corinthian Bcstg., said he felt that a major problem in audience research involved specialized breakouts of information, which "become less reliable as you go further into the data." He sided with Harper in wanting to keep govt. out of research business, and he told us: "A govt. attack on ratings is a step toward govt. control of programming. Relationship of ratings to programming is same as relationship of a thermometer to a patient. Ratings don't control programming; it's programming that controls ratings. I feel there are forces in govt. which would like to do away with the indices of programming which reflect popularity of certain entertainment shows like *Beverly Hillbillies*. It's not a matter of improving ratings; it's an attempt to superimpose governmental program thinking through an attack on ratings."

In other 4A news areas, members approved public ownership of 4A agencies (which have increasingly sought outside capital) "as long as the employes are in effective control," but voted to prohibit any ownership of ad media —including large holdings in broadcast firms by agencies. Arthur E. Tatham & Norman H. Strouse, chmn. of Tatham-Laird & pres. of J. Walter Thompson, respectively, were elected chmn. and vice-chmn of 4A, with Tatham succeeding Harper.

■

Transcontinent TV sale to Taft Bcstg. & Midwest TV didn't come up for formal discussion at TTC stockholder meeting last week in Buffalo. And here's why: Negotiations are said to still be in progress; special stockholder meeting will be called when board believes shareholder action is necessary. Incidentally, there's no bar to contingency of Midwest purchase on Taft's—in FCC proposed rule-making (Vol. 3:16 p4). Contingency involved in FCC proposal would affect multiple owner planning to buy & sell simultaneously while remaining within FCC ownership ceiling.

Annenberg $1.5 Million ETV Gift: Complete facilities of Triangle Publications' WFIL-TV (Ch. 6) Philadelphia, worth about $1.5 million, are being donated to ETV WHYY-TV, which now operates on uhf Ch. 35, holds CP for vhf Ch. 12. WFIL-TV is to move in Fall to new plant at City Line & Monument Ave., turning 46th & Market St. facilities over to ETV at that time. New WFIL-TV will also house radio WFIL and all Radio & TV Div. offices.

Said Walter Annenberg, Triangle pres.: "I couldn't think of a better use for the facilities. The difficulties of educational TV in New York, I believe, highlight the need for people to step out and help educational TV." Gift is largest of its kind to date.

■

Dormant newspaper-monopoly investigation by Rep. Celler's (D-N.Y.) Judiciary Anti-trust Subcommittee is due to resume in June. Celler originally announced there'd be 4 continuous weeks of hearings, but he became ill; now, he plans civil rights investigation before resuming newspaper probe. Publishers with broadcast holdings will be asked to testify at resumption. Also on tap is Prof. Harvey Levin, Hofstra College, author of book *Broadcast Regulation & Joint Ownership of Media*—generally opposed to TV-newspaper combinations. Dropping of competing newspapers in Los Angeles by Hearst & Chandler was a major stimulus for investigation; now, it's understood Justice Dept. is studying history of Los Angeles Newspaper Publishers Assn., looking for anti-trust violations in exchanges of advertising & editorial information among publishers.

NBC bought TV-radio rights for NFL championship game Dec. 29 for $926,000; for each of last 2 years it paid $615,000. NBC has been carrying game since 1955. CBS carries regular season games, paying $4,650,000 a year. NBC also signed Gulf Oil to full TV-radio sponsorship of 1964 national conventions & elections at reported $3.5 million. At same time, Gulf renewed for 4th year sponsorship of NBC News specials, at estimated $1.5 million.

New stereo modulation monitor—claimed a "first"—introduced by Collins. It measures main channel, subchannel, pilot carrier, SCA carrier insertion, stereo separation, cross-talk, pilot phase. It provides stereo & monaural output for proof of performance, has output connections to measure AM noise & distortion. Collins also introduced new stereo limiting amplifier.

Errata: Following changes should be made in pocket directory of stations issued as Special Supplement with Vol. 3:15: Add WOOK-TV (14) to District of Columbia; add WTEV (6) to Providence, R.I. (New Bedford, Mass.); add WJMY (20) to Allen Park (Detroit), Mich.; delete WNTA-TV, New York-Newark; change channel of WJAR-TV Providence to (10).

National spot radio totaled $201,575,000 in 1962, a 2.1% increase over 1961's $197,350,000, according to Lawrence Webb, managing dir., Station Representatives Assn. He also reported that SRA & RAB plan to compile spot radio dollar volume by market.

License fees are due to be finalized by FCC in week or so—TV-radio charges unchanged from last proposal (Vol. 3:13 p2), safety & special services to be cut somewhat. Total take is estimated at $3.8 million annually.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington 6, D. C.
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook
VIRGINIA SNOWDEN, Managing Editor, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director
CHARLES SINCLAIR, Contributing Editor

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

TELEVISION DIGEST. Published Mondays. Services: $75-$150 annually.
For group rates & other subscription services, write Headquarters.
TELEVISION FACTBOOK Published Annually
TV & AM-FM ADDENDA Published Saturdays
AM-FM DIRECTORY Published Annually

Personals

Thomas H. Dawson, CBS-TV vp-network sales, promoted to vp-sales, succeeding **William H. Hylan,** who joins J. Walter Thompson as vp in charge of TV & radio . . . **Carl Tillmanns,** CBS-TV vp-eastern sales, promoted to vp-gen. sales mgr.

William G. Porter promoted to exec. editor, CBS News-TV . . . **John Dragomier** promoted to TV sales mgr., **James Fox** to radio sales mgr., Chicago office, Venard, Torbet & McConnell.

Clark Ramsay promoted to exec. asst. to pres., in charge of marketing, MGM, N.Y.; **Dan Terrell** promoted to exec. dir., advertising, publicity, promotion . . . **Tom T. Miller,** ex-movie theatre owner, appointed gen. mgr., Muscle Shoals TV Cable Co. (CATV).

Robert S. Haft promoted to international business affairs dir., CBS TV Stations Div. . . . **Leonard J. Patricelli** promoted to vp & gen. mgr., WTIC-TV-AM-FM Hartford, succeeding late **Walter C. Johnson; Robert S. Tyrol,** vp-radio sales, named secy. & a dir.

Robert Storer, youngest son of Storer Bcstg. Chmn. **George B. Storer,** named sales promotion dir., WAGA-TV Atlanta, coming from similar post at radio KGBS Los Angeles.

Graydon R. Powers Jr., ex-Porcelain Enamel Institute information services, Washington, named asst. exec. dir., Assn. of Maximum Service Telecasters . . . **Daniel D. Calibraro,** WGN-TV Chicago public relations mgr., adds duties as exec. admin. asst.

Frank H. Nowaczek Jr. promoted to research dir., newly-formed research & development council, National Community TV Assn. . . . **Robert G. McHendrix,** ex-producer-dir., WRCV-TV Philadelphia, named production mgr., WRC-TV Washington.

Gerald C. Gross, International Telecommunications Union secy.-gen., to retire when term expires in 1965.

Barclay Powers promoted to WLBW-TV Miami advertising & promotion dir. . . . **Juan C. Chiabrando,** ex-ITA Electronics chief engineer, named exec. vp-engineering dir., CCA Electronics.

Quentin L. Harvell promoted to vp-administration, **Mae Keenan** to club service administrator, Advertising Federation of America . . . **Serge T. Popper** elected vp, Mort Bassett & Co.

John Mankin, mgr., promoted to vp-gen.mgr., Tyler & Jacksonville, Tex. CATV systems . . . **Billy I. Ross,** So. Ill. U., elected pres. of Alpha Delta Sigma, professional advertising fraternity.

Obituary

David B. Stillman, 57, Seven Arts Productions pres., died April 25 of heart failure at Westport, Conn. home. Prominent theatrical attorney, he was named to Seven Arts post when company was reorganized in 1960. He served as general counsel for numerous motion picture & TV ventures, including late Mike Todd's "Around the World in 80 Days." He is survived by wife, son, brother, 2 sisters.

George Foster Peabody awards for 1962: Walter Cronkite, CBS News, news; Carol Burnett, CBS-TV, & *Du Pont Show of the Week,* NBC, entertainment; "A Tour of the White House With Mrs. John F. Kennedy," CBS News, public service; "San Francisco Pageant," KPIX San Francisco, & *Elliott Norton Reviews,* ETV WGBH-TV Boston, locally produced program; William R. McAndrew, NBC News exec. vp, special award; *Exploring,* NBC News, youth & children's series; *Walt Disney's Wonderful World of Color,* NBC, for "outstanding contributions" to youth & children's programming; *Adlai Stevenson Reports,* ABC, contribution to international understanding; *Books of Our Time,* ETV WNDT N.Y.; *Biography,* David Wolper & Mike Wallace, education. TIO & NAB received special award for study of children's programming that led to book, "For the Young Viewer" (McGraw-Hill). Broadcast Pioneers Pres. Ward Quaal, WGN-TV Chicago, announced special citation to Rep. Harris (D-Ark.), House Commerce Committee chmn., for "firm and fair leadership" overseeing "America's system of free broadcasting."

Closer ties between broadcasting & psychiatric-psychological professions, to eliminate misconceptions about mental health, were called for by Stockton Helffrich, N.Y. mgr., NAB Code Authority. He spoke during April 22-23 conference co-sponsored by NAB & National Assn. of Mental Health at West Point, N. Y.

New Westinghouse series on art appreciation, *America: The Artist's Eye,* will be seen starting in May on WBC stations and on syndication. Narrated by Fredric March & Florence Eldridge, 15-part series includes 9 segments in color. Highlight is 15-min. telecast of White House paintings; others are less than 5 min.

Ch. 5 Boston application of Hub Bcstg. has been returned as incomplete, FCC denying waiver seeking delay in submission of details.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

INDUSTRY GROPES WITH RADIO RIDDLE: What's happening to radio? Why is it happening? What's the cure? Industry's top marketing minds are pondering this puzzle, with little agreement—and not even many opinions. In an industry usually given to glib answers & voluble explanations, many are now just saying "I don't know."

At present, there's more mystery than misery in radio's sudden decline at marketplace—TV is selling well; phono sales are excellent; even radio's drop is large only when compared with 1962 (sales are only 3% below first quarter 1961). Inventories have been cut sharply in line with sales dip.

Here are facts to date about domestic-brand radios: For first 16 weeks of 1963 (through April 19), distributor-to-dealer sales are about 14% below last year's similar period. For first quarter, sales totaled about 1,902,000, some 13% below the 2,177,998 of first quarter 1962. Jan. sales were off 20%, Feb. 13%, March 9%, compared with 1962, and preliminary reports for April indicate fall-off has increased from March. Factory & distributor inventories as of April 1 were down 13% from year-ago levels.

Transistor radios are leading the decline—but it extends almost across-the-board. One set of estimates for first quarter has miniature radio sales down only 10% from last year's same period, personal size sets down 45%, AM table models down 29% and FM & FM clock radios down 18%. Industry production has been trimmed by about 25% from last year's figures. At same time, imports of transistor radios are setting new records.

Imports, radio saturation, lack of profit, bad weather—all get at least partial blame as industry leaders try to figure out what's really going on. They're frank to admit they have no pat answers—but here are some appraisals of situation from top manufacturers:

One large radio manufacturer, who requested anonymity, blamed "competitive circumstances, the volume of merchandise on the market and the Japanese increasing their share of the market." However, he said, "no big trends are discernible and we don't regard the situation as basically serious from the long-term point of view."

Imports come in for major share of blame by Emerson Pres. Benjamin Abrams and others. Says Abrams: "There's nothing the matter that couldn't be cured if we stopped importing Japanese junk. If you include imports, radio business isn't bad as a whole. It has reached saturation because of low prices in the transistor field. Our table & clock radio sales are ahead of last year. But remember—if a person buys an imported set at $5.99, he's out of the market for a $20 set. I see no change in the foreseeable future. The only answer is in better sets. For example, our 9-transistor radio is doing well, although pocket sets are slow."

"We've just hit a breathing spell following 2 good years," says an Admiral spokesman. If you include imports, a lot of radios are being sold, he adds.

Conceding he can see "no good reason" for sudden dip, Motorola consumer products marketing vp S. R. (Ted) Herkes speculates that this year's bad winter weather kept consumers from "shelf-shopping." He adds that radio's an impulse item, but people buy TV regardless of weather. Motorola's radio business has picked up somewhat, according to Herkes.

GE isn't seriously concerned, spokesman said, noting that 1962 was excellent year, and therefore slump isn't great when compared with previous years. He offers theory that dip may be seasonal and that some people are delaying purchase of walk-in-&-buy items for other larger purchases.

Even Zenith's Leonard C. Truesdell concedes he's "puzzled." The pres. of Zenith Sales Corp. adds: "I've said for years we were reaching saturation on radios—every kid in America has one—but I didn't expect it to be this sharp." But he feels that if there's any sign of buying strike, it may be by dealers

rather than public. "Discount houses have sold so many radios so cheap and have beaten prices down so low, I know of many retailers who aren't even interested in radio any more. When they can't make more than $1 or $1.50 on a sale, what's the use of making the effort? The attempts of some American manufacturers to get volume through discount houses have hurt the business. Zenith's radio sales are down slightly, but only one-fourth as much as the rest of the industry."

• • • •

Distributor-to-dealer sales of b&w TV may be leveling off to last year's levels, judging by preliminary unofficial figures for March. These show dealers bought about 592,000 sets last month, up only 2% from the 581,000 of March 1962. For first quarter, sales were about 4% ahead of last year. April 1 TV inventories at factory & distributor levels stood at about 1.12 million—down nearly 12% from year-ago total. (For official 2-month EIA TV-radio-phono sales & production figures, see p. 10.)

23-IN. COLOR TUBE OUTPUT NEXT MONTH: Motorola's 2-year drive for rectangular 90-degree color tube is scheduled to achieve first tangible results in May, when National Video plans to begin first production-quantity output of 23-in. version.

Motorola itself now plans to introduce 2-size color set line early this summer—"a minimum number of 23-in. tubes in the top of the line" (to quote Motorola), and regular 21-in. round 70-degree tubes in other sets. Motorola & National Video have spent more than $4 million developing the 90-degree rectangular 3-gun shadow-mask tube, Pres. Robert W. Galvin said recently.

Zenith's Rauland Corp., meanwhile, is concluding pilot runs and expects to begin production output of 21-in. round 70-degree color tubes at its new plant in May, starting with small quantities and gradually increasing through July. Sylvania will start shipping 21-in. color tubes in quantity some time during 2nd half of year, probably in 4th quarter (Vol. 3:15 p11).

National Video plans to end pilot runs of 23-in. color tubes by about May 15 and start production by end of month, Pres. Asher Cole told us last week. Both he and Motorola spokesmen declined to estimate quantities which will be produced, but Cole said production would be stepped up through rest of year.

Tube will be made available to other set manufacturers in quantity around end of this year, Cole said, with sampling coming earlier. He estimated it would cost "roughly in the price class of the 21-in.—maybe about $10 more." National Video plans to produce none of the 21-in. round 70-degree tubes now being built by RCA and scheduled to be produced by Sylvania & Rauland this year.

National Video's color tube appears to be interim size, and it's good guess that when Corning's 25-in. rectangular glass bulbs become available (Vol. 3:13 p8) 23-in. will have run its course. Corning says its rectangular bulbs may take up to 2 years' development time, but there's some feeling among tube makers that they'll be available considerably ahead of Corning's stated target dates. Same chassis presumably can drive either 23- or 25-in. 90-degree color tube, so it's assumed changeover problems will be minimal.

Behind Motorola's crusade for rectangular 90-degree color tube is saga of dogged persistence which is already resulting in change in size & shape of color tubes. There's little doubt that Motorola's campaign against bulky color sets—and its desire to do something about it—is bearing fruit in accelerated efforts by Corning & RCA to bring out shorter color tube in rectangular design.

New tube uses specially re-formed black-&-white 23-in. bulb—refined to color's tightened tolerances and with special 3-gun neck affixed. RCA-type round tube and Corning's upcoming 25- & 19-in. color bulbs use "hard" color glass. Use of b&w glass made it possible for Motorola & National Video to break one bottleneck in development of rectangular 90-degree color tube. Motorola virtually roamed world to obtain equipment to make it possible to produce such a tube now. That the tube will be seen in production quantities this year, despite widespread skepticism of its competitors, is tribute to Motorola's determination.

TOP TV BRANDS-IN-USE IN 15 MARKETS: How various TV brands stack up in terms of total sets used in selected markets is again shown in tabulation of surveys made by local newspapers. The tally for 1963 by Consolidated Consumer Analysis is reproduced by special permission in the table on p. 9.

Owned by its member newspapers, CCA conducts annual research surveys of consumer ownership & use of various products. The 15-market survey of TV ownership was based on sample size of 43,104 fam-

ilies in areas comprising total of 2.9 million households. Most interviewing was conducted during last 3 weeks of Oct. 1962.

TV study covers all sets-in-use in homes of interviewed families, which therefore reflects yearly changes in brand preferences only slightly. Rankings aren't necessarily representative of country as whole, showing ownership only in markets surveyed. Survey does show variations in regional brand preferences.

Tabulations of TV ownership rank 13 brands according to percentage of households owning them in markets covered. Survey isn't directly comparable with last year's (Vol. 2:19 p7), because of different markets covered. Last year's study tallied 17 markets, including 4 not represented this year. Two new markets have been added this year—Des Moines (survey results represent entire state of Iowa) and West Palm Beach.

RCA was listed as top brand-in-use in all but 2 markets. Like last year, Zenith & Philco were first in one market each. Here are top-place rankings by ownership, with last year's figures as general guide:

RCA ranked first in 13 markets, 2nd in 2 (last year first in 15 and 2nd in 2). Zenith, first in one, 2nd in 5, 3rd in 6, didn't rank below 6th place in any market (last year, first in one, 2nd in 3, 3rd in 6). Philco was first in one, 2nd in 4, 3rd in 2, didn't rank below 7th in any market (last year, first in one, 2nd in 3, 3rd in one).

Admiral was 2nd in 2 markets, 3rd in 4, didn't rank below 7th in any market (last year, 2nd in 4, 3rd in 4). GE was 2nd in 2, 3rd in 2, didn't rank below 7th (last year, 2nd in 3, 3rd in one). Motorola was 3rd in one market, same as last year.

For direct comparisons of sets-in-use ratings with past surveys, check your back files of **Television Digest**—1962 (Vol. 2:19 p7), 1961 (Vol. 17:28 p15), 1960 (Vol. 16:35 p11), 1959 (Vol. 15:26 p16), 1958 (Vol. 14:28 p12), 1957 (Vol. 13:40 p10).

More detailed tabulations of brand preferences in individual markets (including, in some cases, radio & stereo brands as well as TV) will be found in Consumer Analysis reports published by each of the CCA member papers. These participating newspapers will supply copies of own areas' analysis on request: Denver Post, Des Moines Register & Tribune, Duluth Herald & News-Tribune, Honolulu Star-Bulletin & Advertiser, Indianapolis Star & News, Long Beach Independent Press-Telegram, Milwaukee Journal & Sentinel, Omaha World-Herald, Pensacola Journal & News, Phoenix Arizona Republic & Gazette, Providence Journal-Bulletin, Salt Lake Tribune & Deseret News-Telegram, St. Paul Dispatch-Pioneer Press, Palm Beach Post & Times, Wichita Eagle & Beacon.

Television Set Ownership in 15 Markets, 1963

(See story above)

Copyright 1963, Consolidated Consumer Analysis Newspapers. Reprinted by Permission.

CITY	RCA Victor	Zenith	Philco	Admiral	General Electric	Motorola	Silvertone	Packard-Bell	Emerson	Westinghouse	Magnavox	Sylvania	Hoffman
	Place %	*Place %*	*Place %*	*Place %*	*Place %*	*Place %*	*Place %*	*Place %*	*Place %*	*Place %*	*Place %*	*Place %*	*Place %*
Denver	1. 18.1	2. 12.9	6. 8.7	4. 12.0	5. 11.1	3. 12.7	8. 5.1	7. 5.7	10. 4.0	12. 3.6	13. 3.5	15. 2.6	16. 2.1
Des Moines (1)	1. 16.5	3. 10.9	2. 11.8	5. 8.2	6. 7.8	4. 10.2	9. 3.3		12. 2.5	7. 4.4	13. 2.3	8. 3.9	17. 1.1
Duluth-Superior	1. 25.5	5. 8.3	3. 9.6	4. 8.4	2. 17.3	9. 5.1	10. 4.3		6. 6.9	8. 5.4	11. 2.5	18. 1.2	
Honolulu	2. 20.2	1. 20.3	5. 8.7	7. 7.6	3. 13.8	6. 8.5	4. 11.0	9. 3.7	10. 3.2	11. 3.1	12. 1.7	8. 5.8	
Indianapolis	1. 19.8	3. 10.5	4. 9.6	2. 15.4	5. 7.0	6. 6.5	8. 4.4			9. 3.6	10. 2.3	7. 4.6	
Long Beach	1. 21.2	2. 13.8	7. 8.7	4. 11.2	3. 11.3	10. 5.4	5. 10.4	6. 10.2	11. 2.7	13. 2.5	9. 7.2	14. 2.0	8. 8.4
Milwaukee	1. 27.6	3. 14.9	5. 9.7	2. 18.6	6. 7.3	4. 10.4	7. 5.5		10. 2.5	9. 3.2	8. 3.9	10. 2.5	
Omaha	1. 22.7	3. 14.6	2. 16.7	6. 9.0	4. 10.1	4. 10.1	7. 5.1		9. 4.3	10. 3.0	8. 5.0	16. 1.2	18. 1.1
Pensacola	1. 22.8	3. 16.9	2. 18.2	5. 9.6	7. 8.0	4. 11.5	6. 8.4		9. 2.3	10. 1.8	10. 1.8	8. 2.6	
Phoenix	1. 11.1	4. 9.2	7. 5.5	3. 9.8	2. 10.7	5. 7.0	8. 5.3	9. 4.6	6. 6.6	11. 3.7	10. 4.0	12. 3.3	13. 3.2
Providence	2. 12.0	3. 10.7	1. 12.4	4. 10.4	7. 6.4	6. 9.4	12. 2.4		5. 9.7	8. 4.2	9. 3.6	11. 3.1	
Salt Lake City	1. 18.2	6. 7.5	2. 13.2	3. 11.9	4. 11.8	5. 8.2	8. 5.2	9. 4.9	13. 2.8	7. 6.1	11. 4.5	12. 4.0	10. 4.6
St. Paul	1. 23.8	2. 13.9	5. 9.7	3. 12.5	4. 11.9	5. 9.7	19. 1.1		13. 2.0	10. 3.4	9. 3.7	17. 1.3	
West Palm Beach	1. 24.4	2. 15.4	3. 12.5	7. 5.6	5. 8.0	5. 8.0	4. 8.7		10. 4.3	11. 2.7	7. 5.6	13. 1.9	
Wichita	1. 13.7	2. 11.2	4. 8.4	3. 10.6	6. 7.2	5. 7.7	8. 4.4		19. 1.0	10. 3.3	7. 4.6	13. 1.9	9. 4.0

(1) All figures are for the state of Iowa.

TV-RADIO PRODUCTION: EIA statistics for week ended April 19 (16th week of 1963):

	Apr. 13-19	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV	131,801	137,969	122,798	2,146,536	2,069,025
Total Radio	312,176	332,909	363,154	5,198,298	5,736,115
Auto Radio	135,276	147,956	130,482	2,392,241	2,015,844

TV UP, RADIO DOWN: EIA's release of official 2-month sales & production figures confirms preliminary reports—radio sales down substantially (see p. 7), monochrome TV sales up somewhat, phono sales running way ahead of last year, at distributor-to-dealer level.

Distributor sales of b&w TV for first 2 months topped the million mark, running about 6% ahead of 1962, but only up 3% in Feb.-to-Feb. comparison. In production column, all-channel sets accounted for 12% of total output in 2-month period, and were running 41% ahead of last year.

Phono distributor sales for Feb. were 38% better than Feb. 1962, and, following a 44% increase for Jan. this year, 2-month results showed year-to-date rise of better than 40%.

In Feb. radio figures, even FM didn't provide usual bright spot, showing slight decline compared with Feb. 1962. In 2-month figures, however, FM production was still a little less than 5% ahead of 1962. Only cheering radio news was in specialized field of auto radios—along with good new car business, production was 24% higher than same 1962 period. Official EIA 2-month figures, compared with last year:

TV-RADIO DISTRIBUTOR SALES

	Black-&-White TV		Radio (excl. auto)	
Month	1963	1962	1963	1962
January	503,821	465,836	453,348	562,869
February	535,999	521,275	616,036	697,893
TOTAL	1,039,820	987,111	1,069,384	1,260,762

BLACK-&-WHITE TELEVISION PRODUCTION

	Total		All-Channel	
Month	1963	1962	1963	1962
January	484,415	488,869	58,032	39,609
February	557,931	541,494	63,713	46,715
TOTAL	1,042,346	1,030,363	121,745	86,324

RADIO PRODUCTION

	Total		Auto Radio		FM	
Month	1963	1962	1963	1962	1963	1962
January	1,229,507	1,350,630	657,691	530,589	87,641	76,510
February	1,389,652	1,464,797	657,691	480,232	75,544	84,216
TOTAL	2,619,159	2,815,427	1,252,196	1,010,821	163,185	156,223

PHONO DISTRIBUTOR SALES

	1963			1962		
Month	Mono	Stereo	Total	Mono	Stereo	Total
January	81,046	235,479	316,525	48,423	171,305	219,728
February	73,424	256,548	329,972	50,563	188,857	239,420
TOTAL	154,470	492,027	646,497	98,986	360,162	459,148

PHONO FACTORY SALES

	1963			1962		
Month	Mono	Stereo	Total	Mono	Stereo	Total
January	83,638	258,058	341,694	68,545	191,014	259,559
February	77,971	262,304	339,275	52,566	202,846	255,412
TOTAL	161,609	520,362	681,971	121,111	393,860	514,971

New sets: (1) **Western Auto's** Truetone color line, with 3 models, will begin with metal consolette at about $495, include step-ups at $595 & $645. (2) **Sonora** adds 17-in. portable at $139.95 list, 19-in. at $159.95, 23-in. consoles at $224.95 & $234.95, TV combos at $299.95 & $399.95, plus 4 new phonos. (3) **Electrohome of Canada**, claiming 300 retail outlets in all 50 states, adds TV to its combo & stereo line, 9 units starting with 19-in. portable at $179.95; color is due this summer. (4) **Packard Bell** adds 19-in. remote portable at $229.95. (5) **Mercury Phonographs** (div. of Mercury Records) adds first units built in Holland by Philips—transistor portable phono (8 lb.), operating on 6 flashlight batteries ($59.95); deluxe stereo portable ($139.95). (6) **Magnavox** to add 2 new 27-in. consoles to line, including Danish walnut set with tambour doors at $378.50. (7) **Sharp** introduces 11-transistor 2-speed portable phono with AM-FM radio. (8) **Zenith** debuts Jetliner slim luggage-style portable with 19-in. bonded tube ($189.95).

Motorola challenged FTC examiner's findings in asking full Commission to review initial decision recommending cease-&-desist order against advertising claims for TVs & radios (Vol. 3:14 p14). Of particular interest to industry is Motorola's objection to doctrine that sets containing imported components should be labeled as to origin. In this connection, Motorola counsel said examiner had raised new issues, and in view of fact that company's major competitors engage in similar practices, results of decision would have far-reaching effects—probably far beyond transistor radio industry. In addition, Motorola called examiner's finding "vague, indefinite and excessive in scope" and added that claims which were challenged are technical in scope and were voluntarily abandoned before complaint was issued. FTC counsel also asked Commission to review case, challenging examiner's dismissal of 2 charges against Motorola.

"Single most important instrument" for solving mankind's present & future problems may well be electronics. So said RCA Pres. Elmer W. Engstrom last week in address to SMPTE convention in Atlantic City. Electronics has now advanced "to a new & essentially unlimited technology capable of application to virtually every organized human activity," he said. In future, he said, electronics may play the major role in organizing man's knowledge, improving genetic strains of plant & animal life to feed expanding populations, supplying inexpensive & inexhaustible energy sources, educating & communicating with peoples throughout the world, exploring space, forecasting significant climatic changes far in advance.

Zenith's famous Trans-Oceanic 8-band portable radio, first introduced in 1941 in tube version (and since transistorized), has been reduced from $250 to $199.95, including batteries, as result of "new technology in transistors and their circuits."

Trade Personals

Robert W. Galvin, Motorola pres., will be toastmaster at EIA's Annual Award Dinner, Chicago, June 19 . . . **Titus Haffa,** Webcor chmn., named among 11 recipients of 1963 Horatio Alger Awards.

Frank M. Folsom, RCA exec. committee chmn., will be national chmn. for National Bible Week, Oct. 21-27.

Gerald L. Phillipe, GE pres., and **Donald C. Power,** GT&E chmn. & chief exec. officer, named among 10 recipients of Beta Gamma Sigma's national honor award for members who best personify "integrity & accomplishment."

Ross Siragusa Sr., Admiral chairman, to represent consumer durables industry in panel on business outlook May 16 at 6th annual economic conference of National Industrial Conference Board at Waldorf Astoria, N.Y.

George E. Shea, onetime GE, appointed Philco Consumer Products Div. distribution mgr., a new post.

Ray V. Bruland, Collins Radio, and **George Church,** Bendix Radio Div., elected EIA's rep & alternate, respectively, on exec. committee of Radio Technical Commission for Aeronautics.

Martin Sugar named Bell TV chmn. & vp, succeeding **Brose Bunting,** elected treas.; **Lee Bunting** succeeds Sugar as pres. & gen. mgr.

Kenneth W. Mabee, ex-Philco, named Sylvania distributors field sales mgr. for home entertainment products, headquartering in Batavia, N.Y.

Duncan C. Menzies, Servel pres., elected to Sonotone board; **Irving I. Schachtel,** Sonotone pres., reelected a dir. . . . **James C. Sheenan,** Westinghouse Credit Corp. operations vp, elected a dir. of Westinghouse subsidiary.

Herbert H. Friedman, onetime CBS Electronics & former Electro Components founder & pres., joins Du Mont Labs' Electronic Tube Div. as distributor sales mgr.

Distributor Notes: **Motorola** names **Appliance Distributors,** Charleston (John Bailey, pres.; Charles Peele, sales mgr.) distributor for 30 South Carolina counties formerly served by Gas Engine & Electric • **Sylvania Tube Div.** appoints **Everett H. Frost** New England district sales mgr., succeeding **James W. Ritter,** named assistant to renewal mktg. mgr. **William T. Buschmann** • **TelePrompTer** appoints **Fines Sales Corp.,** Hialeah, Fla., sales rep in Florida for its Weathers hi-fi & stereo lines • **Olympic Radio's** N.Y. sales branch, Olympic Appliances, Glendale, N. Y., names **Bennett F. (Ben) Singer** district sales rep, succeeding **Jack Lee,** resigned • **Westinghouse** has established district offices in Milwaukee (G. B. Williams, district mgr.) & Cincinnati (W. B. Compton, district mgr.). Other changes: **C. R. Ross** appointed mid-Atlantic regional mgr., headquartering in Phila., succeeding **Leo M. Cronson** who retires May 1; **R. J. Bittner** named Northwest regional mgr., Chicago hq, succeeded by **W. C. Fortune** as Chicago district mgr.

GE is plugging Compactrons to TV manufacturers in trade ads, stressing long life, economy & cool operation of the multi-function tubes.

Sylvania offers "Technical Report on Tunnel Diode Measurements" brochure, available gratis from Sylvania, 1100 Main St., Buffalo 9, N.Y.

MORE RECORD QUARTERS: Magnavox & Zenith joined growing parade of first-quarter record breakers. Sales & earnings of both firms rose to new highs in 1963's opening 3 months (see financial table). Magnavox earnings gained to $2.9 million from $2.4 million on 2% sales rise to $43.8 million. Zenith rang bell with 7% profit improvement to $5.1 million on 13% sales jump to $92.3 million.

Magnavox consumer product sales climbed 16%, and sales of TVs & stereo hi fi "continue to outpace the industry trend," Pres. Frank Freimann reported.

Zenith set variety of records: Share of industry's b&w TV sales, production & factory shipments of b&w TVs, distributor unit sales to dealers, production & factory shipments of radios. Chmn. Hugh Robertson emphasized that upbeat business is continuing, said April sales are running some $3 million ahead of April 1962.

"Color TV contributed significantly to Zenith's increased first quarter sales volume," he said. "Distributor sales to dealers of Zenith color TV receivers during the period were approximately double the sales of a year earlier." He also pointed out that consoles accounted for approximately 1/3 of Zenith's first-quarter b&w TV unit sales—"a substantially higher percentage than the industry average."

———■———

Reports & comments: **Avco,** memo, Bache & Co., 36 Wall St., N.Y. 5 • **Metromedia,** analysis, J. W. Sparks & Co., 120 Broadway, N.Y. 5 • **AT&T,** comments, Walston & Co., 120 Broadway, N.Y. 5 • **Erie Resistor,** report, Fulton Reid & Co., 1186 Union Commerce Bldg., Cleveland 14 • **Textron Electronics,** review, Peter P. McDermott & Co., 42 Broadway, N.Y. 4 • **GT&E,** prospectus, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4 • **Sony Corp.,** prospectus, Smith, Barney & Co., 20 Broad St., N.Y. 5 • **Schlumberger** (Daystrom) and **General Tire & Rubber** (RKO General), discussions, Shearson, Hammill & Co., 14 Wall St., N.Y. 5 • **Arvin Industries,** report, W. E. Hutton & Co., 14 Wall St., N.Y. 5 • **Stewart-Warner,** report, Pershing & Co., 120 Broadway, N. Y. 5; review, Sincere & Co., 231 S. La Salle St., Chicago 4 • **Scripps-Howard Bestg.,** prospectus, The First Boston Corp., 15 Broad St., N.Y. 5 • **Maremont Corp.,** prospectus, Georgeson & Co., 52 Wall St., N.Y. 5 • **General Tire & Rubber,** report, Schweickart & Co., 29 Broadway, N.Y. 4 • **RCA,** research study, Goodbody & Co., 2 Broadway, N.Y. 4; analysis, A. M. Kidder & Co., One Wall St., N.Y. 5 • **Sprague Electric,** discussion, Auchincloss, Parker & Redpath, 52 Wall St., N.Y. 5 • **Fairchild Camera & Instrument,** report, Amott, Baker & Co., 150 Broadway, N.Y. 38. • **Electronics Capital Corp.,** brochure, Electronics Capital Corp., 1400 Fifth Ave., San Diego 1 • **Oak Mfg.,** analysis, Gude, Winmill & Co., One Wall St., N.Y. 5 • **Motorola,** comments, Purcell & Co., 50 Broadway, N.Y. 4 • **Crowell-Collier,** prospectus, Carl M. Loeb, Rhoades & Co., 42 Wall St., N.Y. 5 • **GT&E,** report, Janney, Battles & E. W. Clark, 1401 Walnut St., Phila. 2 • **Clevite,** report, Francis I. DuPont & Co., One Wall St., N.Y. 5.

GE stock is owned by more than 515,000 individual shareholders, including nearly 100,000 of company's 250,000 employes. Of 105 million authorized GE common shares, 89 million are outstanding.

GT&E has filed FCC application for authorization to purchase stock in Communications Satellite Corp.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
AB-PT	1963—qtr. to Mar. 31	—	$ 4,987,000	$ 2,389,000[1]	$0.54	—
	1962—qtr. to Mar. 31	—	6,442,000	3,042,000[2]	.68	—
Amphenol-Borg Electronics	1963—qtr. to Mar. 31	$ 20,241,803	—	440,517	.32	1,387,677
	1962—qtr. to Mar. 31	20,021,427	—	412,384	.30	1,388,677
Arvin Industries	1963—qtr. to Apr. 1	22,144,000	—	535,000	.45	1,186,270
	1962—qtr. to Apr. 1	18,815,000	—	472,000	.40	1,137,609
Capital Cities Bcstg.	1963—qtr. to Mar. 31	3,982,000	937,297	440,882	.37	1,184,411
	1962—qtr. to Mar. 31	3,430,000	475,546	231,409	.20	1,184,411
Electronic Communications	1963—6 mo. to Mar. 31	12,986,728	—	211,705	.27	755,809
	1962—6 mo. to Mar. 31	14,487,863	—	197,335	.26	717,758
Erie Resistor	1963—13 wks. to Mar. 31	6,875,520	—	63,661	.05	798,806
	1962—13 wks. to Mar. 31	6,991,486	—	255,467	.28	798,806
Fairchild Camera & Instrument	1963—qtr. to Mar. 31	26,630,000	—	146,000[3]	.06	2,535,583
	1962—qtr. to Mar. 31	23,884,000	—	1,352,000[4]	.53	2,535,583
Fleetwood	1962—year to Dec. 31	16,395,755[5]	—	1,002,900[5]	—	—
	1961—year to Dec. 31	14,243,236	—	853,093	—	—
GPE	1963—qtr. to Mar. 31	48,200,000	—	889,000	.48[6]	1,643,101
	1962—qtr. to Mar. 31	48,345,525	—	866,121	.46[6]	1,643,101
Globe-Union	1963—qtr. to Mar. 31	—	—	313,147	.24	1,316,823
	1962—qtr. to Mar. 31	—	—	623,362	.47	864,451
Goodwill Stations	1963—qtr. to Mar. 31	2,069,726	—	201,177	.29	631,903
	1962—qtr. to Mar. 31	1,819,097	—	140,106	.20	632,143
Hazeltine	1963—qtr. to Mar. 31	11,303,000	1,032,000	466,000	.30	1,568,363
	1962—qtr. to Mar. 31	10,087,000	1,034,000	488,000	.31	1,568,363
Indiana General	1963—qtr. to Mar. 31	5,640,959	—	373,144	.32	1,150,002
	1962—qtr. to Mar. 31	7,283,028	—	717,763	.62	1,150,002
Littelfuse	1963—qtr. to Mar. 31	1,652,000	—	87,488	.26	323,043
	1962—qtr. to Mar. 31	1,756,000	—	103,932	.37	323,043
Magnavox Story on p. 11	1963—qtr. to Mar. 31	43,821,000[5]	5,726,000	2,903,000[5]	.40	7,341,523
	1962—qtr. to Mar. 31	43,039,000	5,010,000	2,435,000	.33	7,302,469
Radio Shack	1963—9 mo. to Mar. 31	11,434,083	—	(1,498,643)	—	683,949
	1962—9 mo. to Mar. 31	14,936,706	—	46,850	—	683,949
Howard W. Sams	1963—9 mo. to Mar. 31	10,655,270	—	760,904	1.41[6]	536,225
	1962—9 mo. to Mar. 31	9,925,698	—	674,949	1.26[6]	530,383
Stewart-Warner	1963—qtr. to Mar. 31	33,105,590	4,283,051	2,063,051[5]	.59	3,482,499
	1962—qtr. to Mar. 31	29,427,178	3,581,657	1,743,657	.50[7]	3,332,803
Thompson Ramo Wooldridge	1963—qtr. to Mar. 31	117,351,036[5]	—	3,090,749	.80	3,738,231
	1962—qtr. to Mar. 31	111,670,230	—	2,878,166	.75	3,588,464
Transcontinent TV	1963—qtr. to Mar. 31	—	—	397,644	.22	1,765,012
	1962—qtr. to Mar. 31	—	—	395,684	.22	1,770,772
Tung-Sol	1963—qtr. to Mar. 31	14,923,552	—	241,087[5]	.20	926,826
	1962—qtr. to Mar. 31	18,311,554	—	449,855	.42	925,858
United Artists	1963—year to Dec. 31	126,259,000	—	3,815,000	2.19	1,741,473
	1962—year to Dec. 31	112,717,000	—	4,042,000	2.32	1,729,373
Wometco Enterprises	1963—qtr. to Mar. 31	5,035,824[5]	—	524,647[5]	.36	1,438,368
	1962—qtr. to Mar. 31	4,436,441	—	449,088	.31	1,008,857
Zenith Story on p. 11	1693—qtr. to Mar. 31	92,266,684[5]	10,934,493	5,062,980[5]	.56	9,113,196
	1962—qtr. to Mar. 31	81,520,763	10,149,837	4,728,794	.52	9,033,177

Notes: [1] Before capital gain of $123,000 (3¢ a share). [2] Before capital loss of $133,000 (3¢). [3] After $178,000 special tax credit for pre-merger losses of Allen B. Du Mont Labs. [4] After $225,000 special tax credit. [5] Record. [6] After preferred dividends. [7] Adjusted for Sept. 1962 5% stock dividend. [8] Before $40,000 charges for closing certain plant operations.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk.of Record
AB-PT	Q	$0.25	June 15	May 17
GT&E	Q	.20	June 30	May 22
Hallicrafters	—	.10	June 14	May 9
Hallicrafters	Stk.	3%	June 14	May 9
National Video-A	Q	.06¼	May 20	May 1
Paramount	Q	.50	June 3	May 17
Republic Corp.	Q	.15	May 15	May 1
Stanley-Warner	Q	.30	May 24	May 9
Texas Instruments	Q	.20	June 14	May 14
Transcontinent TV	Q	.12½	May 15	Apr. 30
Tung-Sol	Q	.17½	June 3	May 15
Westinghouse	Q	.30	June 1	May 6
Zenith	Q	.25	June 28	June 7

WEEKLY **Television Digest**

with

Consumer Electronics . . . (starts page 7)

MAY 6, 1963 NEW SERIES VOL. 3, No. 18

The authoritative service for executives in all branches of the television arts & industries

NAB LIBRARY MAY 6 1963

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

CONFLICT RISES IN UHF STUDY as 'haves' & 'have nots' argue how far committees should go in compiling programming & business data —on affiliations, film availability, etc. FCC staff recommends rare exemptions from all-channel-set rules for receivers on master antenna systems (p. 1).

GE'S TALARIA PROJECTOR appraised as capable of utilizing full potential of NTSC color on full-size theater screen with movie brightness; company sees near-term demand for 400-500 units (p. 2).

TRAVAILS OF ETV IN NEW YORK: FCC looking into any 'understanding' on program policy between WNDT & donors; controversy arose over NBC's $100,000 gift (p. 3).

INDUSTRY GEARS FOR NEXT RATINGS ROUND, Harris Subcommittee giving time for self-improvement planning, NAB Pres. Collins reports on goals. ARB & Nielsen continue working on modifications (p. 4).

NETWORKS REPLY ON CIGARETTE commercials, Stanton, Kintner & Goldenson telling Sen. Moss medical information is still lacking, that no special attempt to reach youth is made (p. 5).

Consumer Electronics

COLOR'S FUTURE—PROJECTION? Provocative question about eventual design of home sets is implicit in GE's Talaria demonstration. Added feature might be inclusion of thermoplastic video recorder (p. 7).

ALL-CHANNEL LAW will result in depressed TV sales next year, most industry leaders agree, but extent of impact is debated; strong dissents registered by some who feel law will increase sales (p. 7).

3M TAPE CARTRIDGE models to be added next year after nationwide distribution is reached; device seen moving eventually to mass market as competitor to phono (p. 8).

NEW-LINE CALENDAR shows debut dates for most manufacturers' new models; few dealer-showing junkets planned this year (p. 9).

JAPAN PINS HOPE ON TV for future increases in consumer electronics exports, according to predictions by govt. & manufacturers' association; elimination of sales tax on transistor TV seen as boost (p. 10).

RADIO IMPORTS UP another 24% from Japan in first 2 months of year, while average price drops again. Toy radios & tube radios register sharp decline, recorders & phonos rise (p. 10).

CONFLICT RISES IN UHF STUDY: Self-interest of parties became more abundantly apparent last week in Washington meeting of executive committee of Committee for Full Development of All-Channel Broadcasting. Chaired by FCC Comr. Lee, committee got into substantial controversy of duties of "Committee No. 2"—on uhf station operation.

Controversy seems about as basic as this: The "have nots" want to dig as deeply as possible into business & programming practices; the "haves" fear that govt. pressure might be brought to bear on status quo, through committee. Meeting ended with majority voting to explore the controversial areas—but with Comr. Lee making it clear that govt. won't pressure anyone, that Commission isn't dictating committee's work.

Uhf station operation committee, under Seymour Siegel, WNYC-TV N.Y., has established these subcommittees: (1) Programming resources, Lawrence Turet, WUHF-TV Milwaukee, chmn. (2) Network affiliations, John English, WSEE Erie, Pa., chmn. (3) Influence of ratings on uhf, rep Adam Young, chmn. (4) Advertising practices, Lawrence Webb, SRA, chmn. (5) CATV & pay TV, William Putnam, WWLP Springfield, chmn.

You can well imagine concern of networks, et al., about a committee probing such things under aegis of FCC. Many reservations were voiced by Peter Kenney, NBC; Harvey Struthers, CBS; Frank Marx, ABC; Vincent Wasilewski, NAB; Lester Lindow, AMST—and several attorneys for vhf operators. Though Lee sought to assure them that subcommittees weren't going to browbeat networks and others about uhf-affiliation practices, price of film, etc., many of foregoing either voted against subcommittees or abstained.

Commission's representatives are very concerned about being labeled "promoters." Reflecting Comr. Ford's reservations, Lee stated that Commission doesn't intend to put out rosy predictions to entice newcomers into uhf station operation. However, as Lee's engineering asst. Robert Weston puts it: "We're promoters in only one sense—promoting the distribution of all-channel sets."

There hasn't been serious split yet in technical committees. However, one may be brewing. Receiver manufacturers are worried about FCC's recent move to allow uhf audio power reduction (Vol. 3:14 p5). Zenith, in fact, last week petitioned Commission to reconsider the action; it insisted that lower audio power will seriously reduce fringe-area reception, that FCC is technically misinformed.

FCC is expected soon to act on requests that manufacturers be permitted to continue making vhf-only sets for schools, hospitals and other organizations using master distribution systems (which need no uhf tuners on sets, because conversion can be done with one master converter).

We understand Commission staff is recommending denial of most requests, on grounds that exemptions might limit uhf-set growth substantially. However, staff suggests to Commission that it grant case-by-case waivers only for receivers shipped to educational institutions for use solely in in-school teaching—and that such sets be labeled "For In-School Use Only."

Staff believes that development of all-channel master distribution systems should be encouraged. All such systems are vhf-only now, because of heavy cable transmission losses occurring at uhf frequencies—but Commission staff believes state-of-the-art can & should be advanced to provide vhf-uhf systems. Staff also believes policing of exempted vhf-only-set distribution would be tough—that such sets might slip into general sale eventually.

Set manufacturers are very uncertain, meanwhile, about potential impact of all-channel law on set sales. For their speculation, see p. 7.

REPORT ON TALARIA COLOR PROJECTOR: We were priviliged to view one of first demonstrations of GE's Talaria light-valve theater-TV projector last week, and we can report that system appears capable of utilizing full potential of NTSC color signal on full-size theater screen with brightness equivalent to 35-mm film.

This is the projector scheduled to be backbone of National General Corp.'s planned full-time theater-TV network, which is due to begin operation next year (Vol. 3:9 p3). We viewed demonstration at GE's Technical Products Operation in Syracuse, on screen 19-ft. wide, with projector operating at one-third maximum brightness. System is designed for screens as large as giant 39-ft. wide.

Picture we saw had excellent color, comparable to best we've seen on home screen, with full movie brightness extending even to corners. Viewed close-up, limitations of NTSC 525-line system for theater use were obvious; but at distance where we sat (about 2½ screen widths from screen), picture appeared clear & sharp. Talaria system, according to Technical Products Operation Marketing Mgr. Harry E. Smith, is capable (with altered electronics) of handling non-standard and non-encoded color signals up to 20-mc bandwidth. GE has experimentally projected 1029-line picture. (National General's operation will use standard NTSC signal, which AT&T network facilities are designed to accommodate.)

Talaria is based on same principle as Eidophor—use of layer of fluid in place of cathode-ray tube. Electron gun causes ripples in fluid, controlling its light-transmission characteristics. Thus external light source (instead of cathode-ray tube) can be used. GE uses 5-kw xenon lamp for illumination, shines light directly through control layer of fluid, where Eidophor system uses light refracted from layer.

Real breakthrough of Talaria is its color system, which uses only 2 electron guns—one for green and one for red & blue. Green image uses one portion of control fluid and one lens system, red & blue together using single location on fluid and single lens system. Red light emerges from control layer in horizontal plane, blue light vertical; masking system separates the 2 light beams. Combination of 2 colors into one single gun & projection group vastly simplifies registration and makes possible economies in design.

Talaria projector itself is somewhat smaller than 35-mm theater film projector, weighs about 1,000 lb. is designed to fit in projection booth. Prices haven't been divulged yet—but National General's order runs into "millions of dollars" and is believed to involve about 100 projectors. NGC is U.S. distributor of Talaria for entertainment field. GE sees other uses for system—including military, commercial & educational. Smith forecasts "short-range market" for 400-500 units in U.S.

We saw some of units being assembled in Electronics Park, but full production isn't scheduled to begin until late this year. National General will give press preview of system on West Coast in few weeks.

Talaria's brightness exceeds SMPTE standards for 35-mm theater projection on screens up to 36-ft. wide. An additional feature is light-modulation system which reduces effect of scanning lines. In demonstration we saw, pictures from GE's new live color camera were excellent and well registered on giant screen, exceeding in quality the films which were shown on system.

GE officials say they hope eventually to design smaller versions of Talaria for use in halls which don't need theater-size pictures. This gives rise to interesting speculation about possible development of projection color for home. (See story on p. 7).

TRAVAILS OF ETV IN NEW YORK: Peculiar to-do has been going on about N.Y.'s ETV station WNDT (Ch. 13). Since many people believe station can & should be nation's ETV bellwether, there's a lot of disquiet among educators and other ETV supporters.

Here's the situation: Station was running short of operating cash for year ending next June 30 (total budget running $3.1 million). CBS pitched in with $100,000 recently, then NBC did same. April 17 Variety magazine carried story reporting that WNDT Pres. Samuel Gould, in accepting funds, "guaranteed" that at least 80% of programming would be "strictly classroom-type material." Implication was that CBS & NBC were paying to eliminate programs which might compete with theirs. About same time, Gen. Mgr. Richard Heffner was dismissed. Gould said move was dictated by economics—need to save Heffner's $32,500 salary. Heffner's friends began rallying around, blasting Gould—but WNDT board backed Gould. Heffner, meanwhile, has signed with Metropolitan Bcstg. to moderate series, "The American Experience."

Then FCC became concerned. WNDT is a sort of pride & joy of Chmn. Minow, because he was a catalyst in getting station bought for ETV use from National Telefilm Associates (it was WNTA-TV, Newark-N.Y.). Naturally, Commission can't condone any program dictation as implied by news stories. Then N.Y. Times played it up, printing exchange of letters between NBC Chmn. Robert Sarnoff & Gould. Wrote Sarnoff: "I was impressed by your outline of plans for the future of WNDT and your conviction that the station must evolve a pattern of operations where the bulk of its service would be directed to the type of educational programs which would serve a specific teaching function, and the rest of the programming would be directed to specialized interests not met by commercial broadcasting." Gould response: "It is a great pleasure to talk with you and [David C. Adams, NBC senior exec. vp] about station policy. I look forward to continuing our discussions at some later time."

Sarnoff & Gould promptly & vehemently denied that any deal had been made. FCC concluded that controversy was too strong to ignore, asked WNDT to tell all about it. Commission's letter is broadly worded to suggest to WNDT that it supply information on any "understandings" with any donors—not only with NBC. This could open a large field, because there are a lot of donors to a lot of ETV stations. But it probably won't; everyone would be much surprised if any clandestine "deal" is uncovered.

Minow is concerned about WNDT's health in a broad sense—in addition to question of Sarnoff-Gould situation. He says he recognizes the dispute among educators—some wanting classroom use, others seeking to provide informational & cultural programs. And, he worries: "If ETV can't go in New York, where can it go?"

William Harley, pres. of National Assn. of Educational Bcstrs., tells us: "We've always felt that an established New York station could give ETV a place in the sun. It provides a showcase and has created much interest through stories in national publications." However, he said N.Y. operation has little in common with other ETV outlets in terms of budget & labor. WNDT has experimented with use of "professional approach" to programming & production.

David Stewart, dir. of NET Washington office and secy. of Joint Council on Educational Bcstg., doesn't believe WNDT operation is so vital, nationally. He says its success is important, but: "ETV is largely a local matter; its national growth isn't dependent on New York."

There are 79 operating ETVs—about two-thirds owned by institutions, one-third by community groups as in N.Y. Looking beyond WNDT's problems, NAEB's Harley stresses 2 areas most important to national ETV growth: (1) All-channel-set distribution—because two-thirds of ETV reservations are uhf. (2) Funds from Congress; Senate last week approved $1.5 million for ETV facilities for fiscal 1963, following House's similar action. For fiscal 1964, President seeks $7 million; House has trimmed this to $5 million.

INDUSTRY GEARS FOR NEXT RATINGS ROUND: Industry is being given a few more weeks' wit-collecting time before hearings in ratings investigation resumes. Chmn. Harris (D-Ark.) and his Subcommittee met last week, agreed on taking more time, will meet again in 2 weeks to plan next phase. To be heard: FCC Chmn. Minow, FTC Chmn. Dixon, NAB Pres. Collins, advertisers.

Concern about ratings isn't a partisan thing in Harris Subcommittee. GOP Rep. Springer, from Nielsen's home state of Illinois, isn't seeking to take heat off Nielsen. In speech to Ill. Bcstrs. Assn. last week, he said Pres. A. C. Nielsen Jr. "may be invited to appear and present, in person, whatever testimony he feels was neglected or barred during the 10 days that Nielsen company witnesses were on the stand." Springer also reflected Harris's views—give industry chance of self-policing, legislate if that doesn't work. Harris, incidentally, is expected to make major pronouncement in speech at May 16 SRA luncheon in N.Y. It's understood he's much impressed with way NAB Pres. Collins is handling industry cleanup efforts.

Collins spoke to Canadian Assn. of Bcstrs. in Toronto last week, spelled out NAB's goals: Establishment of a "Broadcast Audit Service" to audit and certify rating services—to see that they do "what they purport to do," complying with minimum standards. He said BAS would be "independent of the rating services and of govt., responsible to the broadcaster." It will function under board including all industry elements. In addition, Collins said, NAB wants "a continuing research program to develop ways of improving rating methodologies & procedures." Said he: "It took a congressional investigation to call us to clear duty." NAB is consulting with leading figures in academic & applied research, will contact rating services shortly.

Confusion of effort, if not actual competition, seemed to be developing between TvB, NAB & others. TvB is working on a "Broadcast Auditing Bureau," same thing as NAB's BAS. However, NAB & TvB representatives have been talking informally about resolving differences. NAB argues that ratings research is management & policy matter, not sales consideration. And then there's RAB, which wants separate radio research project through Advertising Research Foundation—and ARF would like the whole TV-radio auditing job, too.

TvB has been asking Nielsen & ARB to hold off their announced changes, pending further TvB study —but both services told TvB they couldn't wait. Nielsen wired that it will proceed with rate increases based on improvements in local sample designs. ARB wrote that it must go ahead with doubling samples for all reports, said that if it waited too long it wouldn't be able to make change by Sept. 1 for new season. N.Y. Arbitron sample is being increased to 400 homes from current 340; it was 225 year ago.

ARB informed all clients that doubled sample will reduce fluctuations and element of chance. Cost will increase 50-60%. ARB has also established methodology committee to examine diary fulfillment error, etc. It had first meeting April 25, is headed by Dr. Maurice Kendall, pres. of Royal Statistical Society of England, includes 3-4 statisticians from CEIR, ARB parent. ARB also reported that doubled sample was started 1-2 years ago in several markets at request of clients, that some seek even a tripled sample. Among cities where sample (and cost) was increased: Salt Lake, Houston, Greenville-Ashville, Orlando, Daytona Beach, Miami, Stockton.

Nielsen plans to increase number of field supervisors, in addition to changing national sample. Plans for news conference were called off, spokesman stating there is "no hard news" to report.

Nielsen Jr. vigorous defense of his service, and his attack on Subcommittee's actions, continues to irk several members. They claim they leaned backwards to be fair. They said they could have placed addresses of 70 Audimeter homes in record, could have demanded detailed financial records, could have called more field men as witnesses.

In his Illinois speech, Springer also laid it on FTC: "Putting it mildly, perhaps the FTC has not done all that it might have done to assure the accuracy of . . . ratings." In addition, he said: "ARB, Hooper & Sindlinger, while their results may or may not have been good, were given a clean bill of health as far as their honesty was concerned."

FCC's program-form committee is still working on drafts for submission to full Commission. But personnel has changed—new Comr. Cox replacing Chmn. Minow and joining Comrs. Ford & Bartley.

ABC has ordered 11 additional RCA transistorized TV tape recorders (TR-22), bringing its total purchases to 25 units, valued at more than $2 million, RCA announced last week.

NETWORKS REPLY ON CIGARETTES: Networks disagree with Sen. Moss (D-Utah) about "glamour" in cigarette advertising. Because of link between cancer & smoking, he wrote them recently, "I am concerned about the appeal to youth through advertisements which make it appear that the most virile and accomplished of men, the most attractive and feminine of women, and our leaders in almost every field are all cigarette smokers."

CBS Pres. Stanton replied: "First, the medical conclusions to which you refer and with which I am familiar are, of course, not universally accepted in this country. We feel it would be premature on our part to take action in an area in which we are not experts until we have a more generally accepted factual basis.

"Second . . . the advertising of cigarettes, in common with the advertising of most other products, involves the depiction of the use of the product in attractive and pleasant surroundings and a portrayal of pleasurable reactions of users. To do otherwise would negate the purpose of advertising."

NBC Pres. Kintner: "In our general policies we have been guided by the position expressed by [HEW Secy.] Celebrezze: That the government should not undertake to tell citizens to stop smoking; that as reliable information is developed on the consequences of smoking the government has the responsibility to provide the information to the public, and that the choice of whether to smoke or not is an individual one . . . Within this framework, one of the specific aims of our surveillance over cigarette commercials is avoidance of any special appeal to young people."

ABC Pres. Goldenson: "There are differing schools of thought as to whether or not tobacco commercials on television represent or are intended to represent a special appeal to our youth. . . . We have not and will not permit tobacco commercials to appear in programs directed specifically to children . . .

"The difference of opinion arises mainly in those cases where the programs and commercial content are designed primarily to reach adults, but also are viewed by a number of younger people in the early evening . . . It is difficult to see how this situation can be totally eliminated short of an outright ban against tobacco advertising."

———■———

WGN-TV Chicago is latest big broadcaster jumping into CATV field—contracting to buy 2,100-subscriber Houghton, Mich. system from TelePrompTer for undisclosed price. Exec. vp Ward Quaal said station hopes to buy or build more systems. It's understood acquisitions won't be limited to Midwest and that extensive investment may be made. TelePrompTer said that sale doesn't mean it's reducing CATV activity; it will expand in CATV elsewhere, has some 40,000 subscribers on other systems. (For list of broadcasters in CATV, see Vol. 3:17 p3).

Replacement for FCC Chmn. Minow when he goes (when he goes, nobody knows) shouldn't be a broadcaster, according to EIA's Land Mobile Communications Section. Its Chmn. William Weisz, Motorola, wrote President Kennedy, telling him new man should have experience in "the entire radio spectrum" rather than broadcast-only or no radio experience.

NBC News' documentary films will be distributed by McGraw-Hill, for educational purposes. Under agreement, McGraw-Hill has first choice of shows for coming year.

NAB As Program Adviser: NAB program dept. moved major step toward reality, when special committee recommended its creation. Committee headed by co-chmn. Joseph Baudino, Westinghouse, and Allan Page, KGWA Enid, Okla., will take final action June 4, recommending to NAB Board how program services should be provided.

NAB Pres. Collins had urged the study, was given go-ahead on it by Board last Jan. NAB once had a program dept., in late 1940's, but most of its work consisted of revising radio code. It's assumed new dept. will be expected to do considerably more.

———■———

Annual CBS-owned TV stations' international program exchange will be joined this year by broadcasters from 8 countries: Radiodiffusion Francaise, govt.; Norddeutscher Rundfunk (West Germany), govt.; Swiss TV Service, govt.; Radiotelevisione Italiana, govt.-franchised commercial; Canadian Bcstg. Corp., govt.; Telesistema Mexicano, private; Tokyo Bcstg. System, private; Telefis Eireann (Ireland), govt. American program to be exchanged will be "The International Hour: American Jazz," produced by WBBM-TV Chicago, sponsored by Miller Brewing (Vol. 3:14 p8). It will be seen on 5 CBS outlets week of May 20; foreign shows will be seen in following weeks.

Only 3 TV stations still charge sponsors extra for tape playback of spot commercials, according to survey by Videotape Productions of N.Y. as reported in its external house organ, *Tape Measures*. According to report, they are WJBF Augusta, Ga. ($2 per min. spot), WLW-T Cincinnati ($30 per min. spot), WTVO Rockford, Ill. ($5 per min. spot). Stations reported as having recently eliminated spot playback charges are KLBK-TV Lubbock, Tex.; WDBJ-TV Roanoke, Va.; WBTW Florence, S.C.; WNCT Greenville, N.C.; WPIX N.Y.; WTAR-TV Norfolk.

New TV applications filed during last 2 weeks: Ch. 79 Toledo, by Producers Inc. (owner of WTVW Evansville and other properties); Ch. 3 Vernal, Utah by owners of KREX-TV Grand Junction, Colo.; Ch. 40 Fontana, Cal. by Angel Lerma Maler, producer of Spanish-language TV programs, who says he will stop distribution to Los Angeles area TV stations and program exclusively over Ch. 40 if granted; Ch. 36 Atlanta by Supreme Bcstg. Co. (also Ch. 33 applicant for Miami and part owner of WORA-TV Mayaguez, P.R.); Ch. 3, educational, Portales, N.M. by Eastern New Mexico U. (For details, see *TV Addenda 33-L & K*, supplied to full service subscribers.)

Legislation setting uniform time standards received support from NAB, Exec. vp Vincent T. Wasilewski informing Chmn. Magnuson (D-Wash.) of Senate Commerce Committee that such standards would "lessen clock confusion." Magnuson bill—and similar one by Sen. Cotton (R-N.H.)—would establish 8 standard time zones: Atlantic, Eastern, Central, Mountain, Pacific, Yukon, Hawaii-Alaska, Bering. Bill would replace daylight savings laws, would establish "advance-time sub-zones" with "uniform switchover dates."

Admitted quiz-riggers Jack Barry & Dan Enright should get renewal of their radio WGMA Hollywood, Fla., according to FCC Examiner Elizabeth Smith. She concluded in initial decision that they've been bad boys—but that their operation of WGMA in "a highly commendable manner" warrants renewal.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington 6, D. C.
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook
VIRGINIA SNOWDEN, Managing Editor, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director
CHARLES SINCLAIR, Contributing Editor

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

TELEVISION DIGEST. Published Mondays. Services: $75-$150 annually. For group rates & other subscription services, write Headquarters.

TELEVISION FACTBOOK Published Annually
TV & AM-FM ADDENDA Published Saturdays
AM-FM DIRECTORY Published Annually

Personals

Lawrence White, ex-Goodson-Todman program administration dir., rejoins CBS-TV as program development dir. . . . **Len Chaimowitz**, ex-*Newsday* (L.I.) feature writer, named WCBS-TV N.Y. press representative for public affairs programming.

William Firman, ex-CBS Radio asst. gen. sales mgr., named ABC-TV dir. of sales for news & public affairs; **James T. Shaw Jr.**, ex-Miller-Shaw Productions, appointed asst. daytime sales mgr.; **Irv Wilson** named dir. of sports & special programs sales.

Sid Garfield promoted to CBS-TV network exploitation dir. . . . **Harry J. Feeney** promoted to associate dir., trade & business news, CBS-TV press information; **James J. Kane** to associate dir., affiliate press relations.

William A. Corley, editor, NBC Radio's *World News Roundup*, named NBC News mgr., Chicago, for network & WNBQ-WMAQ; **Malcolm R. Johnson**, NBC News program service mgr., named night mgr., succeeding **Samuel Sharkey**, appointed exec. news mgr., KING-TV Seattle.

William E. Goetze, ex-vp & gen. mgr., KOGO-TV-AM-FM San Diego, appointed pres., A. H. Meyer Co., San Francisco RCA distributor . . . **William Cooke**, ex-CBC TV sales mgr., named to represent CBS-TV network sales in Canada, hq in Toronto.

Lawrence J. Pollock, ex-WABC-TV N.Y. research & advertising services dir., appointed gen. sales mgr., WTEN Albany . . . **Marvin W. Grieve**, ex-Video Craft sales vp, appointed United Artists Associated national spot sales mgr.

Serge Bergen, Washington consulting engineer, planning to attend May 20-25 International TV Symposium, Montreux, Switzerland . . . **Tod Moore**, ex-Ted Bates asst. vp & account exec., named spot TV sales development dir., Katz Agency.

Charles Woodard Jr., vp & asst. to pres., Westinghouse Bcstg., appointed Peace Corps associate dir. for public affairs . . . **John C. Doerfer**, ex-FCC chmn., appointed gen. counsel-exec. secy., Maryland-D.C. Bcstrs. Assn.

Jack Kuney, ex-CBS-TV, appointed Westinghouse Bcstg. exec. producer . . . **Joseph Fusco Jr.**, ex-Official Films, named to new post of sales promotion dir., 20th Century-Fox TV.

Guy Cunningham, TvB creative dir., elected vp . . . **Rick Chapman**, ex-Ted Bates print procurement supv., named sales dept. admin. asst., Videotape Productions.

Richard Hill, ex-film producer & salesman, appointed Video House western div. mgr., L.A.; **Gerald S. Corwin**, ex-NTA regional sales mgr., named central div. mgr., Minneapolis.

Howard Duncan elected vp-sales dir., WEHT Evansville & KGUN-TV Tucson; **William Hight** elected vp in charge, WEHT . . . **George W. Bowe** promoted to asst. program mgr., WTIC-TV Hartford.

WBKB Chicago promotes **Carl Tubbs** to exec. producer, **Bob Rhodes** to sports dir., **Lynne Walker** to women's dir . . . **Robert E. Arne**, KTVU San Francisco-Oakland chief engineer, elected vp.

Obituary

Leon Pearson, 63, NBC News, died April 29 at Roosevelt Hospital, N.Y., after heart attack suffered April 18. He joined NBC in 1947 after working with brother, Drew, producing "Washington Merry-Go-Round" column & radio program, and later working for INS. Recently, he was NBC entertainment critic. He is survived by wife, brother, 3 sons, one of whom, Andrew, is NBC correspondent-cameraman in New Delhi.

New anti-payola rules finally have been adopted by FCC, will be released this week. It's understood that feature films will be exempted, but that Commission concludes they're covered by law, that FCC will keep eye on industry practices and remove exemption if & when abuses develop.

"Telebi," as it's called in Japan, gets clever treatment in article by William J. O'Neill in May *Show* Magazine. *Ben Casey* is top show, and the late-night erotica would curl your hair: "Even the commercials would have made a Minsky blush."

Televising of Senate debates on major issues will be urged by Sen. Javits (R-N.Y.) in resolution he will introduce this week, according to by-line story in May 11 issue of *TV Guide*. He says Rules Committee would set times & conditions for coverage.

Macabre suggestion: Resolution proposing telecast of 4 Cal. gas-chamber executions was proposed by Assemblyman Lester A. McMillan, opponent of death sentence.

FCC Chmn. Minow will be featured in June 3 *Brinkley Journal*. Program was filmed in Minow's office May 3.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

IS PROJECTION IN COLOR'S FUTURE? We call your attention to report on p. 2 which we believe is first published review of GE's Talaria color theater TV system—because it is just possible that Talaria may hold clue to eventual new design of home color sets.

Talaria in present form is fantastically expensive—and GE officials deny practicability of developing home version of system in near future. Nevertheless, you'll note that Talaria overcomes biggest stumbling block in projection TV and goes long way toward licking a major problem inherent in projecting color.

All home TV projection systems have suffered from fatal drawback of poor brightness. Talaria licks this completely by use of external (rather than cathode-ray) light source. Second problem, color registration, is vastly simplified through use of 2 electron guns instead of 3—requiring convergence of only 2 images.

Despite its complexities, Talaria-Eidophor principle is the only known method of developing practical brightly illuminated projection TV for the home. And this type of projection system—when & if evolved into home equipment—may offer another startling advantage:

Combining it with related process of thermoplastic recording—which works on same principle and was demonstrated by GE early in 1960 (Vol. 16:3 p2)—might make possible a simplified home video recorder at lower cost and earlier date than can be achieved via magnetic recording principles.

ALL-CHANNEL LAW—WHAT EFFECT ON SALES? One year from now, production of TV sets for sale on U.S. consumer market will be confined to all-channel receivers. Inclusion of uhf tuners will result in price increase to public which has been estimated at $20-$30 over vhf-only models. What will this do to next year's TV market?

We questioned large number of TV set industry's leading figures on this issue. Predominant opinion was that price increase inherent in all-channel law would hurt TV unit sales temporarily. But this view was not unanimous—2 high industry figures predicted added features of uhf, together with promotion of all-channel sets, would boost, rather than hurt TV sales.

There seems to be no uniformity of opinion as to how long vhf-only sets will be on market after U-Day next April 30 (sets made through cut-off date can legally be shipped and sold), whether these vhf-only sets will be drug on market suitable only for dumping, or whether they'll be highly prized & sought after in non-uhf markets because of their somewhat lower list prices.

Those who thought law would hurt set sales agreed that biggest impact would be at low end, where price is important. Zenith Sales Corp. Pres. Leonard C. Truesdell pointed out that inclusion of all-channel tuner would raise price of low-end set by 15-20%. "People may not be so quick to buy a 2nd set," he said. "But if a person really wants a set, he'll pay the price."

Truesdell pointed out that 50% of 19-in. sales are in $169-or-lower price bracket and that 19-in. market represents 65% of total black-&-white sales—therefore "this could affect an important part of the market." The remedy? Stop selling on price alone, said Truesdell, returning to his theme song: "This again proves price selling doesn't pay. For the love of Pete, why beat prices down so low?"

Another official of a TV manufacturing firm, who requested anonymity, told us: "Of course it will depress sales—a $30 increase has got to hurt. A strong publicity program could help minimize loss of sales. Fortunately, we'll still be allowed to sell our vhf-only sets on the market at the same time. How much will sales drop? As a rule of thumb, I'd say it would be the same percentage as the price increase. Thus a 20% increase in prices of low-end portables will mean a 20% drop in that part of our business. How long this continues will depend on how well we promote to the consumer that he's getting something for this extra

money. I personally feel this condition will last about 6 months. As production and knowhow improve, all-channel tuner prices should start coming down, partly offsetting the increase."

Motorola Pres. Robert W. Galvin took note of problem in recent annual report, in which he stated that all-channel bill will cause "moderately deflating situation" in TV business at first, probably ending in fall 1964 as consumer becomes accustomed to all-channel TV.

"We feel it will hurt sales at first, but we don't know how much," said a Magnavox spokesman. "Forcing the consumer to pay extra is bound to have an adverse effect."

As GE analyzes it: "Of the 3 buying groups—original set, 2nd-set and replacement—only the 2nd-set buying group will be sharply affected, and this should only be temporary. At the outset, price differential will be about $20 [between all-channel & vhf-only set], but competition will knock it down to about $10. At retail, this is not a tremendous enough figure to be a major stumbling-block."

Three other manufacturers thought law would have no appreciable effect on TV buying one way or another. Said one: "Next year there'll still be so many vhf sets available that there'll be no effect at all. Toward the end of the year it might hurt, might slow down black-&-white sales. But remember, everybody will load up on vhf-only sets during the first quarter, so they'll be available most of the year."

"The market is influenced by economics, not legislation," said a Philco spokesman. "All manufacturers will be in the same boat. We're already noticing an increasing demand for all-channel sets; by the end of this year about 20% of our mix will be all-channel." Said another big set maker: "We're not concerned, since we think it will have no noticeable effect on buying. As one of our big dealers says, 'let's stop talking about that $20 and sell sets.' The only thing that concerns us is the possibility of vhf dumps."

Accenting the positive, Emerson Pres. Benjamin Abrams thinks all-channel law "will have a salutary effect on TV. It's a new thing and will stimulate buying of 'up-to-date sets.' Our own business is now 20% all-channel, increasing continually; 80% of the sets we ship to Los Angeles have uhf, and even N.Y. is beginning to wake up. By fall, I think 30-35% of all set sales will be all-channel."

"I think it will boost sales rather than hurt them," reasons Sears Roebuck's TV chief H. E. McCoy. "It should rejuvenate the whole industry. Looking for a feature? This is a real one—not a gimmick. This is something more to talk about—more stations. People are beginning to learn about uhf—in Chicago they're asking for all-channel sets and the uhf stations haven't gone on the air yet. To the customer, it's often simpler than to the dealer. Let's not complicate it. What all-channel does can be said in a few words—it makes more TV stations possible.

"We must be fair with our customers," continued McCoy. "Anyone who sells vhf-only receivers after next April 30 to gain price advantage is kidding himself. I don't know of a better way to encourage growth of this industry than to help increase programming sources and competition between broadcasters. The all-channel law makes it possible for us to help develop this business and eventually increase the market for sets. Sears has been working for more than a year on all-channel campaign, pushing it very vigorously for the last 6 months, and our all-channel sales constitute a greater percentage of total merchandise each month."

NEW 3M TAPE CARTRIDGE MODELS IN '64: Minnesota Mining is "starting at the top" with its 3M-Revere tape cartridge system at $450 (Vol. 2:46 p9), but has no intention of confining system to the audiophile's rarified price range. 3M has the time, and it's gaining the experience—but there's no doubt it hopes eventually to aim cartridge system squarely at mass market. Nor is there any doubt that world's biggest tape maker will marshal its considerable forces in drive to obsolete both records & phonographs.

That's the mighty oak which 3M hopes to cultivate carefully from its $450 acorn. At present, the single portable tape cartridge changer system (which provides 15 hours of music from stacked 3¾-in. square cartridges) is working its way into national distribution. From its present areas of St. Louis, Minneapolis-St. Paul, San Francisco & Los Angeles, it will fan out this month to Chicago, Kansas City, Omaha, Des Moines, Seattle & Portland, reaching all major markets this fall.

As to its sales success, Revere product mgr. Darrell H. Boyd will say only that it is "more than meeting our expectations" and that additional franchised dealers have been added in the 4 original market areas. Customers have principally been component hi-fi enthusiasts (who use recorder as additional component),

people who want compact music system because of space limitations, and professional people seeking background music systems, Boyd told us recently.

No new models are planned this year, and national advertising—when it begins this fall—will be keyed to single unit, according to Boyd. After national distribution has been attained, he says, new models will be first order of business—for 1964. But even then, there's no sign of low-priced unit. Although Boyd wouldn't comment, it's good speculation that 3M will continue to try to skim cream from top of market—aiming at both component & package areas with tape-cartridge deck (sans amplifier & speakers) and furniture console.

Obviously deck could also be sold on OEM market, but if 3M has any OEM deals now it's certainly not talking about them. It does say it's interested, however.

Other new-model possibilities which may eventually come under consideration: Single-play cartridge player for automobiles; battery portable.

In its marketing experience to date, 3M seems to have sold larger-than-expected ratio of blank tape cartridges to pre-recorded selections. Presently only 60 pre-recorded selections are available (more will be announced soon), priced rather steeply at $8.95 & $9.95. Boyd's personal feeling is that customers have been buying blank tape to build up libraries of recordings made from the air or from discs, and that as available repertoire increases there'll be far smaller proportion of blank to pre-recorded tape sales.

One step in making cartridge system a competitor of record changers may well be elimination of recording feature—at least in competitive models. This obviously can't be done until cartridge tape repertoire is somewhat comparable to discs. But what is starting as record-&-play system may well end as a play-only system competing principally with phonos rather than with tape recorders.

It's not logical that 3M plans its cartridge machine as competitor to conventional tape recorders (which it is now). As matter of fact, the cartridge machines use far less tape than open-reel machines for comparable playing time (tape is only 1/7-in. wide, runs at 1⅞-inch per sec.). Real goal—albeit, perhaps, far in 3M's future master plan—obviously is unseating of the plastic platter as source of America's recording music and replacing it with 3M-made magnetic tape.

CALENDAR OF NEW-LINE SHOWINGS: It could be uncertainty over Internal Revenue Service rulings, or just a straight get-down-to-business attitude, but we see few, if any, new-line showings scheduled at special dealer junkets this year.

Survey of industry indicates most unveilings will be held about same time as last year—that is, from mid-May to mid-June—and almost all will be labeled "for distributors only," distributors having their own open houses for dealers later. A good number of manufacturers are still vague about debut dates. Here's schedule of showings available so far:

Manufacturer	Products	Dates	Event & Location
Admiral	TV, radio, phono	Week of May 19	Distributors, Chicago
Du Mont, Emerson, Telectro	TV, radio, phono, recorders	Not set	Distributors, probably Miami Beach
General Electric	TV, console phono	June 3-7	Distributors, Appliance Park, Louisville
	radio, portable phono	May 19-20	Las Vegas
Magnavox	TV, radio, phono	July 21-25	Music Show, Chicago
Motorola	——	Not set	To be announced
Olympic	TV, radio, phono	June 2-5	Distributors, Chase Hotel, St. Louis
Packard Bell	TV, radio, combos	June 3-6	Distributors, Miramar Hotel, Santa Monica
Philco	TV, radio, phono	May 18-20	Distributors, Fontainebleau, Miami Beach
RCA	TV, radio, phono	May 15-17	Distributors, Riviera, Las Vegas
Sylvania	TV, radio, phono	June 5-7	Distributors, Edgewater Beach, Chicago
Symphonic	TV, phono	May 19-22	Chicago
Westinghouse	TV, stereo	May 20	Distributors, Cleveland
	radio, phono	Not set	To be announced
Zenith	TV, radio, phono	May 23-25	Distributors, Chicago

TV-RADIO PRODUCTION: EIA statistics for week ended April 26 (17th week of 1963)

	Apr. 20-26	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV	138,536	131,801	131,543	2,285,072	2,200,201
Total radio	355,989	312,176	352,278	5,543,150	6,098,498
Auto radio	145,257	135,276	123,233	2,528,084	2,137,627

JAPAN PINS HOPE ON TV: TV is shining new star in Japanese export firmament, judging from predictions emanating from Tokyo which envision TV shipments overseas increasing more than all other categories.

Decision of Japanese govt. to waive domestic commodity taxes on transistor TV from May 1, 1963 to March 31, 1966 is expected to increase purchases by Japanese, leading to production and lower export prices. Tax on sets with screen sizes less than 20-in. has been 10.32% of retail list price; tax wasn't imposed on exported sets.

EIA of Japan estimates production of transistor TV sets will total 600,000 units this year, of which 240,000 will be exported at average FOB export price of $82 a set. In 1964, EIAJ forecasts increase of total output to 1.2 million, with 600,000 exported at $71 each, and in 1965 total would rise to 2.4 million, of which 960,000 would be exported at average of $60.

Meanwhile, Japan's Ministry of International Trade & Industry released new 5-year plan for electronics industry, forecasting increase of 171% by 1967 to $3.2 billion output (increase from 1957 to 1962 was 300%). In its forecasts of 1963 exports, MITI sees TV leading consumer electronics growth, rising 44% over 1962 to $31.8 million (or approximately 500,000 sets at current prices). Modest growth of 1.4% in radio exports (to $163.2 million) is predicted, with radio-phono exports going up 10.1% to $12.6 million, recorders 26.1% to $47.7 million.

■

February factory sales of TV picture & receiving tubes declined sharply in both units & dollars from Feb. 1962, EIA reported. Unit sales of TV picture tubes dropped to 636,392 from 733,670 a year ago. Dollar value slumped to $11,990,596 from $13,944,313. Receiving tube sales declined in units to 26,382,000 from 27,977,000. Dollar value fell to $22,354,000 from $23,841,000. Here are EIA's figures:

	Picture Tubes		Receiver Tubes	
	Units	Dollars	Units	Dollars
January	890,246	16,846,046	27,025,000	22,524,000
February	636,392	11,990,596	26,382,000	22,354,000
Jan.-Feb. 1963	1,526,638	28,836,642	53,407,000	44,878,000
Jan.-Feb. 1962	1,535,731	29,569,617	57,588,000	48,647,000

■

"Integral Circuit Package" (ICP) is new name chosen for microelectronic products—at least for marketing purposes—by EIA's Marketing Services Dept. as result of nearly year of study by 50 manufacturers working under EIA's semiconductor marketing services committee. ICP will be over-all designation for circuits identified by such terms as microelectronics, microminiaturization, integrated, modular, functional, etc. Calling ICP "the most important techno-economic trend in the electronic industries," committee developed series of definitions to permit measurement of various products composing this market.

Radio Imports Up, Too: Exports of transistor radios from Japan to U.S. took another jump—nearly 24%—during first 2 months of 1963, as compared with same 1962 figure. This Japanese govt. tally follows recent report that U.S.-bound shipments of TV sets during 2-month period increased almost tenfold from comparable 1962 figures—52,578 units vs. 5,290 (Vol. 3:15 p8).

Exports of toy transistor radios (fewer than 3 transistors) and tube radios, however, were down about 43% each during first 3 months of year, while radio-phono & recorder shipments increased substantially. Here are unit & dollar-volume Japanese exports to U.S. for Jan.-Feb. 1963 (with unit shipments for same 1962 period in parentheses):

Transistor radios (3 or more transistors), 939,587 at $7,180,538 (vs. 760,302 last year); tube radios, 123,312 at $794,833 (215,490); toy radios, 298,762 at $751,858 (529,115); tape recorders, 229,344 at $2,528,161 (148,623); radio-phonos, 19,841 at $917,919 (9,868).

Meanwhile, U.S. Customs figures on imports during the 2-month period, as compiled by *Electrical Merchandising Week*, showed 32,278 TV sets entering U.S. from Japan, valued at $1,948,042, and 79,251 transistor radios from Hong Kong at $312,479, plus 33,664 transistor radios from Okinawa at $140,731. (This is first year Customs is compiling figures on TV set imports.)

Average prices of transistor radios continued their decline in this year's figures. For 2-month period, average billing price of transistor radios exported from Japan was $7.64, compared with $9.19 for full-year 1962 and $10.60 for 1961 (Vol. 3:6 p7). Transistor radios imported from Hong Kong dipped to slightly below $4 average, from $5.19 last year and $6.28 in 1961; Okinawa average sank to $4.18 from $5.15 in 1962 and $6.01 in 1961.

■

Philco claimed a basic color patent last week when Patent Office dismissed 13-year-old interference proceedings by RCA and granted patent to Philco as assignee of inventors Wilson P. Boothroyd & Edgar M. Creamer Jr. Boothroyd, former Philco electronic engineering mgr., is now with Sylvania; Creamer is mgr. of Philco's advanced development engineering lab. Patent, which Philco claims is essential to NTSC method of transmitting & receiving color, relates to process of superimposing color information on b&w information within same 6-mc channel. Under terms of last January's RCA-Philco patent license settlement (Vol. 3:1 p7), RCA will have non-exclusive license for life of the patent. Philco officials said they hadn't yet determined whether they will seek back royalties from other manufacturers or how they would attempt to license others under the patent.

Channel Master has cut prices on 12 transistor radios from $2 to $20. Leader 6-transistor set now has $14.95 list and $12.95 minimum retail price.

Trade Personals

David Sarnoff, RCA chmn. & **Frank Stanton,** CBS Inc. pres., named to committee of 100 planning dinner for Roger Blough, U.S. Steel chmn., who receives National Conference of Christians & Jews' brotherhood award May 14 at Americana Hotel, N.Y.

Robert S. Alexander terminates chairmanship of Wells-Gardner as board eliminates post at his suggestion "to better identify members of operating management;" he continues as a dir., representing ITT . . . **George F. Smith,** Magnavox Govt. & Industrial Div. vp-gen. mgr., elected a dir.

George D. Hill elected Westinghouse Credit Corp. controller, a new post . . . **Harold Goldberg** elected Raytheon engineering & research vp . . . **Robert A. Marshall** named ITT Federal Labs mktg. vp.

Paul W. Van Orden appointed sales planning mgr., GE Electronic Components Div.; **Charles A. Richardson** named field sales operations mgr.

Paul E. Bryant, Fisher Radio gen. sales mgr., promoted to sales vp. . . . **R. E. Culligan** appointed sales promotion mgr. of Minnesota Mining's Revere-Wollensak Div., a new post; **S. C. Prater** named division's consumer products ad mgr.

Simon Pomerantz appointed Jerrold Corp. treas. & asst. secy. . . . **Joseph W. Gross,** former GE receiving tube district sales mgr., joins Du Mont Labs' Electronic Tube Div. as power tubes sales mgr., a new post.

Distributor Notes: **Admiral** names 2 home entertainment & appliances distributors: **Vaugh Electrical Co. of Mainc,** Portland, for Maine & 2 northeastern New Hampshire counties; **Marshall Wells Co.,** for Fresno, Cal. territory • **Motorola** appoints **Jones Distributing Co.,** Sioux City, Ia., to service region formerly served by **McKenzie Distributors** • **Ampex** names **George S. Shoaf** northeastern regional manager for all sales & service activities, succeeded by **Thomas W. Harleman** as midwestern regional mgr. • **Motorola's** Washington, D. C. distributor, **Washington Appliance Wholesalers,** adds Maryland's Western Shore area, including Baltimore; **Artcraft Electric Supply,** Salisbury, Md., adds 12 Eastern Shore counties. The territories formerly were served by Motorola-Baltimore.

Major new market for transistors has been opened by Western Europe's current plans for widespread UHF TV broadcasting, reported Philco Lansdale Div. vp-gen. mgr. Michael W. Newell. He said Philco expects to deliver some 500,000 transistors to European TV set makers this year. Most European countries have passed govt. regulations requiring all-channel TV sets, he noted.

Zenith's famous Trans-Oceanic 8-band portable radio, first introduced in 1941 in tube version (and since transistorized), has been reduced from $250 to $199.95, including batteries, as result of "new technology in transistors and their circuits."

TV set sales in Washington, D. C., for first quarter 1963 increased to 24,566 from 1962's 19,780, according to Electric Institute of Washington. Color sales totaled 1,007 (no color figures reported for same 1962 period).

Mergers & acquisitions: Advance Ross Electronics stockholders have approved proposal by **H. M. Byllesby & Co.** to acquire company's remaining outstanding common stock on share-for-share basis (Vol. 3:13 p12). Byllesby currently owns 32% of TV components maker's 707,131 shares • **GPE** is negotiating to acquire electronic systems manufacturer **Radiation Inc.,** Melbourne, Fla. for some 296,000 GPE common shares. Exchange would be on basis of one GPE share for each 3½ Radiation common shares • **Hewlett-Packard** has teamed with Tokyo-based **Yokogawa Electric Works** to form Yokogawa-Hewlett-Packard Ltd. to produce electronic measuring equipment in Japan. Hewlett-Packard will own 45% of new company, subject to approval of Japanese govt.

Packard Bell board has approved sale of $5 million in 5½% 15-year convertible debentures to Bermuda-based Electronics International Capital Ltd. Company also reported conclusion of its last major loss contract through negotiation with Telecomputing Corp. One small loss contract remains & is scheduled for completion in June. Pres. Robert S. Bell said that "reserves set aside at the end of fiscal 1962 are believed more than adequate to cover any losses on the remaining contract."

Packard Bell Electronics' Home Products Div. increased sales a record 38% in fiscal-1963's first half, ended March 31, from year ago. Distributor sales climbed 44%. Vp-gen. mgr. Kenneth R. Johnson said sales momentum is continuing, noted that April's volume in first 3 weeks was at all time high.

Chris Craft (formerly NAFI Corp.) reported first-quarter profit decline from year-ago's $469,240. Pres. John G. Bannister forecast that 1963's operating profit would top 1962's $1.4 million. However, because of uncertainty of realizing nonrecurring profit from sale of assets as in previous years, he said he couldn't predict whether net income would exceed 1962's $2.1 million.

P. R. Mallory, which suffered sales & profit sag in first quarter (Vol. 3:16 p12), expects total 1963 sales to fall 1-2% from 1962's record $99.1 million. Pres. G. Barron Mallory also told annual meeting that earnings "may not be as high" as 1962's peak $5.1 million. He attributed profit squeeze largely to price pressures & rising material costs.

Four Star TV earnings in fiscal 1963, ending June 30, are expected to compare favorably with year-earlier's $1.20 a share. Pres. Thomas J. McDermott said fiscal-1963 will include "substantial write-offs & a special credit." Revenues will include a $500,000 tax-free insurance payment on life of late Chmn. Dick Powell.

Macfadden-Bartell is being sued by Justice Dept. for $95,000 at FTC's request on grounds that company violated 1960 order prohibiting payment of discriminatory promotional allowances to certain distributors of its publications.

Hallicrafters has arranged for $6 million in new financing to retire present short-term loans & to increase working capital.

Reports & comments: Metromedia, study, Coggeshall & Hicks, 111 Broadway, N.Y. 6 • **RCA & GT&E,** comments, Carl M. Loeb, Rhoades & Co., 42 Wall St., N.Y. 5.

Reeves Industries Inc. is new name of Reeves Soundcraft Corp., following stockholder approval.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Crowell-Collier	1963—qtr. to Mar. 31	$ 21,810,066	——	162,639	$0.05	3,256,552
	1962—qtr. to Mar. 31	16,989,671	——	226,869	.07	3,091,886
Eitel-McCullough	1963—qtr. to Mar. 31	6,580,000	——	151,000	.08	1,842,288
	1962[5]	——	——	——	—	——
Four Star TV	1962—26 wks. to Dec. 29	——	——	187,111	.31	600,000
Story on p. 11	1961—26 wks. to Dec. 29	——	——	367,461	.60	600,000
General Bronze	1963—qtr. to Mar. 31	4,114,822	$ (172,220)	(172,220)	—	391,820
	1962—qtr. to Mar. 31	3,518,297	9,457	9,457	.02	391,820
Giannini Scientific	1962—year to Dec. 31	12,108,538	——	272,180	.46	397,871
	1961—year to Dec. 31	4,620,338	——	157,312	.42	397,871
International Resistance	1963—15 wks. to Apr. 14	8,588,476[6]	922,089	452,089	.31	1,462,209
	1962—15 wks. to Apr. 14	8,391,400	1,480,596	680,896	.46	1,433,388
Lear Siegler	1963—9 mo. to Mar. 31	147,591,261	6,401,383	3,937,778	1.00	3,911,168
	1962[1]	——	——	——	—	——
	1963—qtr. to Mar. 31	49,548,289	1,431,725	1,024,722	.26	3,911,168
	1962[1]	——	——	——	—	——
Ling-Temco-Vought	1963—qtr. to Mar. 31	79,242,000	2,697,000	1,672,000	.60	2,783,821
	1962—qtr. to Mar. 31	82,347,000	2,223,000	2,223,000	.80	2,781,832
Oak Mfg.	1963—qtr. to Mar. 31	9,345,333	502,685	240,685	.35	667,074
	1962—qtr. to Mar. 31	7,415,802	569,463	276,013	.42	655,794
Packard Bell	1963—6 mo. to Mar. 31	27,553,000	791,000	752,000	.88	854,043
	1962—6 mo. to Mar. 31	23,776,196	661,895	661,895	.78	854,043
	1963—qtr. to Mar. 31	13,278,000	247,000	229,000	.27	854,043
	1962—qtr. to Mar. 31	11,730,615	186,751	186,751	.22	854,043
Pentron Electronics	1963—9 mo. to Mar. 31	7,811,156	——	133,384[2]	.05	2,532,644
	1962—9 mo. to Mar. 31	7,542,604	——	364,553	.15	2,441,037
	1963—qtr. to Mar. 31	2,891,709	——	93,112[3]	.04	2,532,644
	1962—qtr. to Mar. 31	2,815,521	——	201,459	.08	2,441,037
Sonotone	1963—qtr. to Mar. 31	5,833,100	——	——	.09[4]	1,224,271
	1962—qtr. to Mar. 31	5,088,321	——	509,746	.03[4]	1,169,137
Trans-Lux	1963—qtr. to Mar. 31	——	——	142,718	.20	723,037
	1962—qtr. to Mar. 31	——	——	192,920	.26	723,037

Notes: [1] Unavailable because of June-1962 merger of Lear & Siegler. [2] Before $300,000 provision for anticipated loss on obsolete inventories. [3] Before $100,000 provision. [4] After preferred dividends. [5] Not available, quarterly earnings heretofore not released. [6] Record.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk.of Record*
Allied Radio	Q	$0.08	May 26	May 14
Avnet Electronics	Q	.10	May 22	May 8
Gen. Tire & Rubber	Q	.10	May 31	May 17
P. R. Mallory	Q	.35	June 10	May 10
Magnavox	Q	.17½	June 15	May 24
Oak Mfg.	Q	.07½	June 14	May 31
TV-Electronics Fund..	—	.03	May 31	May 3
Thomp. Ramo Woold...	Q	.35	June 15	May 24

Granco Products Inc., manufacturer of FM radios & tuners and hi-fi equipment, is operating under Chapter XI bankruptcy petition, filed in Brooklyn. It will continue to operate under Pres. Henry Fogel as debtor in possession. Liabilities were listed at $640,543, assets $362,982. Fogel told us that company's inability to collect insurance claim on $335,000 fire in Dec. 1959 was most important contributing factor. Early this year, Fogel bought from Emerson Radio 150,000 shares of Granco stock which Emerson had purchased in 1961 (Vol. 3:4 p13). Emerson is biggest creditor, claiming $232,500.

Reeves Bestg. & Development's TV stations increased revenues by average 20% in 1962 over 1961, Pres. J. Drayton Hastie noted in annual report. Studio Div. revenues jumped nearly 38%. (For 1962-vs.-1961 corporate report, see Vol. 3:12 p12.) Balance sheet at year's end showed total current assets of $1,573,084 (including $272,618 cash & $687,429 accounts and notes receivable) vs. current liabilities of $1,440,009. Current assets at end of 1961 totaled $1,571,125 (including $333,996 cash & $547,797 accounts and notes receivable) vs. current liabilities of $1,279,176.

Sylvania's "over-all picture" has made GT&E "very enthusiastic," Chmn. Donald C. Power noted in reporting parent company's record first quarter (Vol. 3:16 p12). "Sylvania has turned around its operations very effectively & is doing an excellent job in bringing further increases in sales & earnings. Many important new efficiencies have been achieved," he said.

Howard W. Sams & Co. will be honored May 16 as "Great Hoosier Company of the Year" by Sons of Indiana in N.Y. at annual dinner at Sheraton-East Hotel, N.Y. Chmn. Howard W. Sams will make acceptance talk.

WEEKLY **Television Digest**
with
Consumer Electronics . . . (starts page 7)

MAY 13, 1963 NEW SERIES VOL. 3, No. 19

The authoritative service for executives in all branches of the television arts & industries

NAB LIBRARY MAY 1 1963

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

FORECAST OF 'OVER-COMMERCIALIZATION' proposal expected soon from FCC: Start with NAB TV & radio Codes; ask industry to justify waivers—with copious detail. Rep. Harris 'concerned' with 'interruptions' from commercials (p. 1).

RATINGS FRONT—HEARINGS, PLANS, STUDIES: Harris resumes hearings, calls Census Bureau & RAB's Bunker; Nielsen sets to battle FTC; Sindlinger moving into local radio (p. 2).

REPS BACK RATINGS BUT WANT CHANGES: Spot check of N.Y. sales reps shows strong support for competitive services; well informed, vitally concerned, reps want improvements, too (p. 3).

CBS AFFILIATES MEETING hears pep-rally reports on strength & durability of network's nighttime shows, witnesses preview of new star-studded shows, hears Aubrey & Stanton on high price of sportscasts and need for ETV (p. 4).

FEES NOW FINAL, effective next Jan. It's $100 for major TV applications, $50 for major radio filings, $30 for all other broadcast applications. Non-broadcast figures down somewhat. Total annual take put at $3,843,000 (p. 5).

CBS SEEKS ETV COMPETITION: Stanton telling affiliates ETV should have 'broadest' type of program, urging commercial telecasters to spark heavy campaign to raise ETV funds from public (p. 5).

HENRY'S TOUGH LINE—use sustaining-program percentage as a 'yardstick'; require stations to announce, regularly, their 'legal responsibilities' re programming (p. 6).

Consumer Electronics

NO COLOR SERVICE PROBLEMS found by Mansfield nation-wide survey of owners & dealers; average yearly repair bill is $30.50; 'captive service' seen decreasing (p. 7).

FEW WARRANTY CHANGES expected this year with new lines, but extended & free-labor warranties can be expected to remain as controversial as ever; only handful of major set makers still adhere to standard warranties (p. 7).

PROFILE OF ELECTRONIC PARTS DISTRIBUTORS: Industry's 1,770 distributors are believed to have topped $1 billion sales last year for first time—up from 1961's $940.3 million. Sales of TV accessories declined 2.5% from 1957 through 1961, but components boomed 75.9%; batteries, 37.9%; tubes 27%. We analyze 7 companies' sales & earnings (p. 8).

RCA'S FINANCIAL PROSPECTS: Color them bright, stockholders are told at annual meeting geared to color's success; Sarnoff reports record 4-month period, projects all-time high for '63 (p. 10).

MORE FIRST QUARTERS: Admiral boosts sales & earnings; Motorola experiences 45% profit drop despite 4% sales rise to record $80.6 million. Latter attributes decline to investment in color tube & new semiconductor products (p. 12).

FORECAST OF 'OVER-COMMERCIALIZATION' PLAN: Proposal to put ceiling on commercials, first announced by FCC just before NAB convention (Vol. 3:13 p2), is about to come out in formal rule-making proceeding. Presumably, majority will again include Minow, Lee, Henry & Cox—though they could pick up another vote because action wouldn't be final.

Guts of proposal will be NAB TV & radio Codes—FCC's premise being that it wouldn't be any more demanding than industry is of itself. In addition, Commission will spell out the kinds of situations which might warrant waivers of ceilings—daytime-only stations (particularly in north, in winter), outlets in cities with seasonal economies, small-market TV stations, communities with "too much competition." However, Commission is expected to ask those filing comments to spell out exactly what kind of information should be supplied by stations seeking waivers. For example, if station is to be allowed to claim "economic hardship," FCC is likely to ask it to spell this out—precisely.

If anyone wants to criticize proposal (and Commission evidently believes this is conceivable), it will ask them to supply critical analysis and counterproposals. In addition, Commission is expected to emphasize strongly its desire to get comments from non-broadcast organizations and individual members of public.

Commission is likely to justify its proposal on grounds that "over-commercialization" is disruptive of service and that NAB doesn't have real power to punish violators—or to reach those who don't subscribe

to Codes. Commission is expected also to say that specific rules on commercial ceilings would allow it to mete out punishments short of "death penalty" (license revocation or renewal denial)—issuing cease-&-desist orders or levying fines.

FCC doesn't know much about the business of broadcasting—particularly radio, which it hasn't studied recently—and this rule-making may be a real primer for it. Said one commissioner, who favors proposal: "Broadcasters aren't likely to tell us much about the business—unless they're given an incentive."

Commission may not be without support, to some degree, in its efforts. Rep. Harris (D-Ark.), chmn. of House Commerce Committee, of recent ratings-investigation fame, last week told Washington Ad Club: "The frequency with which advertising messages interrupt radio programming is something with which I am concerned, and I believe that the average listener is not necessarily favorably inclined towards excesses in this respect." He also said, on a different front: "Much radio programming today is not balanced programming, and I think it can be stated without question that radio today . . . does not provide service at its full potential."

RATINGS FRONT—HEARINGS, PLANS, STUDIES: Census Bureau witnesses are latest angle in Rep. Harris's ratings show—one or 2 experts to appear as Subcommittee hearings resume for 2 days. They appear May 14, RAB Pres. Edmund Bunker May 15. (For our roundup of "what to do," from station reps, see p. 3).

Testimony from NAB Pres. Collins, FCC Chmn. Minow, FTC Chmn. Dixon, others, is tentatively scheduled for next week; Subcommittee wants to wait until Collins is ready with proposals.

Other key developments this week in far-reaching ratings hassle: NAB research committee meets May 14 in N.Y., will talk with RAB about cooperative efforts; Nielsen meets with reps & station clients in N.Y. May 14-15; Harris addresses SRA awards luncheon May 16 in N.Y., is expected to make major commentary on ratings.

Nielsen took unusual action of making public statement on unannounced proposal of FTC—that research firm divest itself of half its broadcast clients.

FTC anti-trust action, according to Nielsen, would "require a division of Nielsen's national radio & TV audience research services among two or more research companies," says "FTC's proposals appear to be without legal or factual justification."

Nielsen would have to drop at least one network, a few ad agencies & advertisers. Company spokesman estimates this would double cost to remaining clients, would create chaos because all TV networks wouldn't have same standards, could force Nielsen out of audience research entirely. Nielsen is in "battling mood," will seek court action if FTC proposals stand; this would likely last 1-2 years or more.

Nielsen meeting with reps & stations this week follows earlier meetings with national agency-advertiser-network clients (Vol. 3:17 p2). More rep & station meetings are set for Chicago May 23 and on West Coast later—San Francisco or Los Angeles. At Sales Executives Club meeting in N.Y. last week, Nielsen Jr. said company would be "happy to cooperate" in industry auditing plans.

RAB Pres. Edmund Bunker and NAB Pres. LeRoy Collins, with top aides, met in Washington last week to talk about cooperation. RAB has insisted it wants separate radio research project, through Advertising Research Foundation. It was agreed that RAB meet this week with NAB research committee in N.Y. Even if basis for cooperation is reached, RAB is still likely to go ahead with separate radio study.

Research firm Sindlinger & Co., whose Pres. Albert E. made hit with Harris Subcommittee with his assertion that no sample should be below 2,000, expects this week to announce entry into local radio reports. Sindlinger inched into audience research last summer when Nielsen "cancelled" ABC Radio. Company has since Sept. issued regular audience report for ABC Radio—its only broadcast client.

Sindlinger will announce timetable for starting local radio surveys in 187 markets, using minimum 2,000 sample each. These are same markets he uses for ABC.

Sindlinger is ready to measure top 15 markets. He also tells us he's negotiating to get another network as subscriber to his national radio service.

Sindlinger local report will also provide demographic data—age, occupation, income, etc. Technique consists of recall telephone interview—"What did you do yesterday?"—averaging 11 min. Data is processed through IBM 1440 computer.

Sindlinger sees possibility of measuring entire "media mix" because interviews cover all media. From same interview, Sindlinger also gains information on auto ownership, which he uses for car clients (GM, Ford, Chrysler).

At RCA stockholder meeting last week, NBC Chmn. Robert Sarnoff said: "When properly gathered and properly used, ratings are valuable tools . . . We remain confident of the value of national audience rating services. Along with the rest of the industry we are seeking improvements in methodology."

REPS BACK RATINGS BUT SEEK CHANGES: We made quick spot check of station national TV reps (sample size 4, response 100%)—and it revealed strong support for competitive rating services—but also a demand for improvement in methodology and cleanup of shoddy practices. (For other ratings developments, see p. 2.)

No segment of TV-radio-advertising fraternity relies on ratings for its meat & drink as much as reps. Overlooked at Washington hearings, reps are well informed, vitally concerned.

"Definite improvement in methodology is required for greater reliability & acceptance," states Martin Nierman, Edward Petry & Co. exec. vp & member of TvB board (also chmn. of its special practices committee studying ratings). But, he says: "We look for continuation of the present rating services."

On things that need doing, Nierman says an audit bureau to verify performance of research services—as proposed by NAB & TvB—is "definitely in order." He also believes that a research committee to explore improvements in methods & standards is required. "Increase in sample size is not enough," he tells us. "We also need the support of agencies. One major agency has already told me it supports plans for ratings cleanup."

There'll be no problem between NAB & TvB over similar audit & standards proposals each put forth separately, according to Nierman. "There is agreement among the 2 organizations on steps to be taken." He sees nothing wrong with NAB doing the job, as long as TvB can participate.

Adam Young, pres. of Adam Young TV who started career as NBC researcher, sees 2 sides to ratings coin. In Nielsen's attempt to drastically improve radio research, he finds justification for stand his company took about 4 years ago. Then, it took Nielsen to task for "incredibly bad job of measuring radio," in a special presentation calling attention to specific weaknesses, shown to top agency researchers in N.Y. & Chicago.

On other side of coin, Young believes ARB & Nielsen should be given support for their TV studies which are "basically good." He says: "Too many people are becoming experts, based on assumptions & half-truths; they believe that all research is bad. Certainly, there is much to be criticized, but no research will ever be perfect. We have to deal with a sample of judgment because it is uneconomical to have the truly large samples that would materially cut room for error."

As for improvements, Young would like to see Nielsen become "a little more communicative with clients. 'Nielsen can't be wrong' attitude has to go." He says ARB is "extremely cooperative," but thinks that its plan to double samples will only increase stability an additional 5%.

Increases in research costs announced by ARB & Nielsen will place great burden on TV stations in small & medium markets, Young states: "My fear is that we will end up with only one service in some of those markets. We have recommended to our stations that they subscribe to both, but some have already indicated they will go to one service when new prices are in effect."

On auditing plans proposed by NAB & TvB, Young believes "all constructive ideas are good if they can be implemented. We want to reserve the right, however, to do our own auditing. If we think there's something wrong, we'd like to have the opportunity to satisfy ourselves that good research was conducted."

Frank Pellegrin, H-R TV exec. vp: "Ratings will always be with us. Advertisers & agencies need them to justify spending; networks need them to determine programming; we need them to sell . . . We have always

believed in the need to place more emphasis on qualitative information, but you have to count heads first before you can count the kinds of heads."

Ratings can be improved, but so can any business, Pellegrin states: "There are a few crooks, but for the most part we believe in the integrity of the major rating services. I think the print media are making more out of this than is warranted."

Pellegrin doesn't believe in a single service. "There is a need for competition because any one service can be wrong. If a tri-partite research company were established—comprising agencies, advertisers, broadcasters—it should be in competition with present research firms."

Thus, there seems to be substantial support for views expressed by SRA Pres. Edward Codel, Katz Agency TV dir., who recently told us (Vol. 3:17 p1): "A single system would work a great hardship on the business. There would be no recourse. No one has a foolproof service."

CBS'S N.Y. PEP RALLY: Annual gathering of CBS affiliates in N.Y. last week had much of feeling of a well-heeled Yankee baseball fan club which has just seen its team win Series. Mood was optimistic (without being pugnacious) and relaxed (without forgetting ever-present competition from NBC and ABC) concerning forthcoming 1963-64 season. Affiliates also received Pres. Frank Stanton's full views on role of ETV (see p. 5).

CBS-TV pres. James T. Aubrey Jr. addressed morning gathering of broadcasters May 8, shoe-horned into Trans-Lux movie theater near Waldorf-Astoria, to stress durability & acceptance of network's nighttime programming. "There was a time when, if a program lasted 3 years, it was a big success," he said. "Now, there's no reason to believe that if we keep a show bright & fresh it won't last for many years."

Retrenchments may be made in one programming area, Aubrey suggested, however. Terming TV sports "the biggest poker game in the world," Aubrey cited recent CBS attempts to acquire rights to pro football championship game, which it had last year for $615,000. This year, CBS entered bid of $750,000—"about what we thought traffic should bear"—but lost out to NBC, which got it for $926,000. Snapped Aubrey: "In my opinion, if this spiralling continues, we'll be priced right out of the TV sports market."

General strength of CBS shows is in healthy state, affiliates were told by Dick Golden, network's market planning dir. Golden's presentation included some charts which made basic point that CBS program structure has "never succumbed to passing fads." Action programming (westerns, private eyes, etc.), he said, has declined both in terms of amount of time given in 3-network combined schedules (from 45% of nighttime shows in 1959-60 to 35% in 1962-63) and in average ratings (from 20.0 to 18.4). "Not one of the ABC 'action' shows in the Top 40 two years ago is still there," said Golden.

Attempts to maintain "balance" in programming have paid off during past few seasons for CBS, Golden added, citing fact that CBS shows have edge in long-range durability and thus form keystone of fall program structures. In fact, CBS is bringing back 20 shows this fall which ranked in Top 30 this season, as compared with 5 for NBC and only 3 on ABC.

Denial of "star-oriented" schedule was made by new TV Program vp Mike Dann, who defined network's approach as ". . . dedicated to attracting & holding the best talent available," while not signing stars without "the production team to back up." Actually, Dann's we-don't-just-buy-stars protests sounded somewhat thin in face of new shows CBS will add this fall. With exception of relative newcomers like George C. Scott ("East Side, West Side") and Ray Walston ("My Favorite Martian"), CBS's fall program deals have centered on program showcases for such ready-made, big-name stars as Danny Kaye, Judy Garland, Phil Silvers and Robert Goulet. ("CBS buys programs the way Aristotle Onassis buys paintings," said one knowledgeable broadcaster after the session, "and does little to encourage new artists.")

Further proof of CBS bias in favor of established performers and program artisans could be glimpsed in postscript statement by Aubrey to Dann's preview of new fall offerings. Shows built around Silvers, Garland and Kaye were bought without seeing pilots ("That way we wouldn't wound the vanity of a major star") although CBS insisted on deals "whereby we have the right to approve the creative process, step by step."

CBS SEEKS ETV COMPETITION: CBS Pres. Frank Stanton disagrees with NBC Chmn. Robert Sarnoff on role of ETV. In address to CBS affiliates last week, Stanton said ETV should compete with commercial TV, "in its broadest, not its narrowest, concept . . . We should welcome educational TV into the free competition for the viewer's attention."

Stanton's views thus contrast with Sarnoff's, who recently wrote Dr. Samuel Gould, pres. of ETV WNDT N.Y. (Vol. 3:18 p3): "I was impressed by your outline of plans for the future of WNDT and your conviction that the station must evolve a pattern of operations where the bulk of its service would be directed to the type of educational programs which would serve a specific teaching function, and the rest of the programming would be directed to specialized interests not met by commercial broadcasting."

Sarnoff had been accused by some of making NBC's $100,000 donation to WNDT based on "don't-compete-with-us" agreement. Sarnoff & Gould have denied this repeatedly, both doing so again last week. Sarnoff, at RCA stockholders meeting, said: "NBC believes ETV stations must ultimately receive support from communities and foundations. They can't indefinitely continue to look to commercial broadcasters . . . We made the contribution because we felt it important that a cultural & educational TV service be continued . . . It did not involve any condition on programming. None was sought, offered, discussed, or desired by NBC."

Gould, in news conference outlined "typical" programming for next year, showed that "teaching type" programs wouldn't crowd out "cultural" & "informational" programs.

WNDT hasn't yet answered FCC's request for information about any alleged "deal" with NBC or anyone else. Response is expected next week—and Commission doesn't anticipate shocking revelations.

Stanton said commercial telecasters would benefit from a strong ETV system which would "give us the kind of prodding anyone needs in order to improve constantly." He also called on industry to help get ETV bulk support from public through "a mighty annual campaign"—and "it ought to be community-wide and it ought to be saturating," including heavy series of commercial-station announcements. Concept is one that could well snow-ball.

———■———

Live TV from Japan will be possible via Telstar II, AT&T officials said last week during press demonstration of new satellite's performance. New ground station being constructed in Japan will have "mutual visibility" with AT&T station in Andover, Me. for periods of up to 15-20 minutes during certain periods when Telstar's orbit is in Southern Hemisphere. Due to Telstar II's higher orbit than its predecessor, at some times (July will be optimum because of location of orbit then) mutual visibility between U.S. & Europe will be one hour or more in single orbit. Both color & B&W pictures transmitted via Telstar II, as we observed them, were extremely good. Last 3 minutes of color tape segment from *Bell Telephone Hour* was received in France, where reception was reported "excellent."

New TV Affiliates Corp. member—WTVN-TV Columbus, O.

FEES NOW FINAL: Starting next Jan. 1, broadcasters and most other FCC licensees will start paying fees with their applications—Commission finalizing rules last week. Fees were set as we indicated earlier (Vol. 3:13 p2): In TV, it's $100 for applications for new stations, major changes, renewals, assignments; in radio, it's $50 for same. For all other broadcast applications, it's $30. In non-broadcast field, fees are dropped somewhat from previous proposals.

Though at one stage there were predictions that Commission would get mere $1 million a year, FCC now estimates some $3,843,000 will be collected (going to Treasury, not earmarked for FCC)—about one-third its annual budget. FCC noted that other govt. agencies charging fees now include: Defense Dept., FAA, Immigration & Naturalization Service.

Exempted are noncommercial ETV stations, safety services (police, fire, etc.) and novice amateurs. Smallest fee is $2 for regular amateurs.

Vote was 5-2—Bartley & Ford dissenting. Bartley argued that fee "may well create here a contention of ownership or proprietary right . . ." Ford said that though fee idea "has much to recommend it," he doesn't believe Congress was specific enough in its law and that Congress should be asked for more instructions. FCC sources say FCC has received commendation from half dozen Congressmen & Senators—and no criticism from Hill.

Full text will be published in *Federal Register* and weekly Govt. Printing Office pamphlet.

———■———

Agency for International Development has quietly dropped project to bring ETV to underdeveloped countries by installing more than 1,000 transistorized TV sets. Plan came under Congressional fire last year when it was discovered that AID official negotiated contract for production of sets without giving major TV manufacturers chance to bid (Vol. 2:34 p8). In recent testimony on foreign aid bill, AID Dir. David Bell said $400,000 contract with Warwick was cancelled in Jan. Set installation was part of $1.6 million program.

Tobacco company presidents replied last week to letter Sen. Moss (D-Utah) sent to TV networks about "glamour" in cigarette ads. They said that book isn't closed on cancer-smoking link, that they don't seek to exploit youth market, that ads are created merely to make products appear desirable. Network presidents replied week earlier (Vol. 3:18 p5). Tobacco respondents: Philip Morris, American Tobacco, R. J. Reynolds, Brown & Williamson, P. Lorillard, Liggett & Myers, Larus & Bro.

FCC's anti-payola rules were released last week, and, as we indicated (Vol. 3:18 p6), the only major change from original proposal of April 27, 1961 (Vol. 17:18 p5) is to exempt feature films "produced initially & primarily for theatre exhibition." Full texts of rules and 36 examples of do's & don't's will be published in *Federal Register* and in Govt. Printing Office weekly pamphlet.

CBS won 1963 World Television Festival Award at Montreaux, Switzerland, for "Julie and Carol at Carnegie Hall." It's first American production to win prize at 3-year-old festival.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington 6, D. C.
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook
VIRGINIA SNOWDEN, Managing Editor, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director
CHARLES SINCLAIR, Contributing Editor

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

TELEVISION DIGEST. Published Mondays. Services: $75-$150 annually.
For group rates & other subscription services, write Headquarters.
TELEVISION FACTBOOK Published Annually
TV & AM-FM ADDENDA Published Saturdays
AM-FM DIRECTORY Published Annually

Personals

William M. Materne promoted to CBS-TV vp-eastern sales . . . **Tom Tilson** promoted to Metro TV Sales eastern sales mgr., succeeded as midwest sales mgr. by **Alfred Parenty**, ex-Adam Young eastern TV mgr.

Weston J. Harris, ex-USIA TV program mgr., appointed WNBC-TV N.Y. program mgr. . . . **Robert D. Gordon**, ex-KIRO-TV Seattle program dir., named USIA deputy chief of production for information TV.

Leroy E. Lattin, ex-General Telephone Co. of California chmn., named pres., Home Entertainment Co. of America, Santa Monica, pay-TV firm . . . **Ted Robertson**, TV programming mgr., Compton Adv., Los Angeles, elected vp.

Joseph F. Gagen, ex-*Hackensack* (N.J.) *Record*, opens ABC News Ireland office, hq in Dublin . . . **William McIntyre**, ex-ABC News, appointed radio-TV-film officer, Agency for International Development.

James Taglia, ex-Philco representative, Washington, named exec. asst., National Community TV Assn. . . . **Robert A. Bernstein**, ex-Westinghouse Bcstg. public relations dir., named vp & special projects dir., Softness Group, PR.

Charles Britt, ex-National Telefilm Assoc. southern rep, appointed southern sales mgr., Embassy Pictures' TV dept. . . . **John J. (Chick) Kelly**, Storer Bcstg. advertising & promotion dir., elected vp.

Charles J. Mathews, national sales mgr., WLBW-TV Miami, promoted to general sales mgr. . . . **David Drisin**, ex-MGM, apointed special projects dir., Marketscope Research.

Dr. Margaret Mary Kearney, educational dir., WCAU-TV & WCAU Philadelphia, named national pres., American Women in Radio & TV.

Rollin K. Godding, ex-account exec., J. G. Kelly Adv., Buffalo, named WKBW-TV promotion mgr., succeeding **O. Lyle Koch**, appointed program dir. (incorrectly reported in Vol. 3:16 p5).

HENRY'S TOUGH LINE: FCC Comr. E. William Henry is not shy. And if he becomes next chairman, as speculation has it, industry may have someone harder to deal with than Chmn. Minow. After reading his recent Nashville speech, many industry people have been shaking their heads.

Henry was addressing Radio & TV Council of Middle Tennessee. Excerpts: "Network proposals for [public affairs specials] are exceedingly vague. I wonder if the reason for this vagueness will prove to be the networks' intention to inject public service specials as sporadic substitutes for programs whose ratings turn out to be lower than their competition. . .

"A network recently reported that when it cancelled a certain program in its winter schedule, it received between 40-50,000 letters of protest from loyal fans of that program. Now what do you suppose happened as a result of these letters? We may guess that there were some second thoughts, but otherwise, absolutely nothing. The network, having inhaled the mystic vapors from the rating service oracle, announced *ex cathedra* that its audience did not justify the program's continuance. So be it; the decision is theirs to make. Nor could the FCC approve or disapprove this or any other specific program, and rightly so. Censorship by any group is bad, and if exercised by government, it can be fatal.

"On the other hand, if 50,000 letters were received by the FCC next Monday morning demanding more general public service programming in prime viewing hours, or less conformity, or more creativity in programs, there would be a flurry of interest at our 12th and Pennsylvania Avenue offices the likes of which has not been seen since the rigged quiz scandals. If Sen. Pastore, who chairs the Senate Subcommittee on Communications, received 50,000 letters on these or any other broadcasting subjects, there would probably be an inquiry within days. And remember, 50,000 is only a small fraction of the people in the 59 million homes having television sets. The area served by Nashville's stations would meet its quota with only 225 letters."

So how does Henry propose to improve things? His suggestions:

"(1) Adopt a staff proposal to re-evaluate our policy with respect to sustaining or noncommercial programming. While public service programming may well be commercial or noncommercial, and entertaining as well as not, the percentage of sustaining time in the broadcast day is one of many appropriate yardsticks or guidelines for use in the examination of a station's over-all performance in the public interest.

"(2) Propose a rule to require all broadcasters to carry over their facilities regularly-scheduled announcements concerning the legal responsibilities of television stations to serve their listening public's needs and interests—at the same time soliciting public response, criticism, and suggestions for improved programming."

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

COLOR SETS POSE NO SERVICE PROBLEM: Most owners are satisfied with ease of tuning and repair costs of their color sets. Dealers' attitudes, too, have changed, and most of them are optimistic about color. These were highlights of report by Sylvania Market Research Dir. Frank W. Mansfield on 3-month national survey of color owners & dealers, as presented to NATESA regional directors' meeting at week's end in Kansas City.

Average color repair bill is $30.50 a year, Mansfield said, reporting on sets in use at least 2 years and not covered by service contracts. About 40% of owners said cost of their color set repairs was no more than they had experienced with black-&-white sets, and 22% couldn't even remember repair costs of preceding 12 months. (We recently queried manufacturers about average repair costs for black-&-white sets; replies varied from $8.15 to $25 a year.)

"About 70% of the dealers surveyed," said Mansfield, "indicated that their customers had little or no trouble with color repairs and set owners themselves generally were not critical of tuning problems previously associated with color sets." He found that 37% of owners said they used their sets more than 6 hours daily.

"Captive service on color sets," survey showed, "is considerably less today than it was in the early days of b&w TV. A large majority of the dealers contacted reported that color service contracts are optional with the consumer." Color service business, Mansfield told the service technicians," represents bonus business to the service industry."

Interesting counterpoint to Sylvania survey was statement by RCA group exec. vp Charles M. Odorizzi at last week's stockholders meeting that this year RCA Service Co.'s revenue from installation & service of color TV "could surpass revenue on b&w sets" (see p. 10).

Mansfield's bullish report on color is particularly noteworthy considering the source; Sylvania in recent years has been anything but a flag-waver for color.

FEW WARRANTY CHANGES EXPECTED THIS YEAR: While battle continues over labor warranties and extended parts warranties, there seems to be little prospect of any major defections by either camp when new lines are announced.

Standard EIA warranties (one year on picture tube and 90 days on receiving tubes & parts for black-&-white, one year on all tubes & parts for color) is being followed by these major manufacturers: Emerson & Du Mont, Olympic, Packard Bell, RCA, Zenith. Admiral also follows standard warranty, except that it guarantees etched circuit boards for 5 years (parts only). GE, which has adhered to standard warranty, has not disclosed whether its program will be changed.

Extra warranties by other manufacturers are subject to considerable variations, and there are no indications any changes are contemplated. Magnavox has 3 warranties—"Gold Seal" on all 24- & 27-in. models providing 3 years on picture tube (prorated after one year), one year on other parts & tubes, including labor; "Silver Seal" (middle price range sets) providing one year on picture tube & parts, 90 days labor (carry-in service on portables); other Magnavox sets have one year on picture tube & parts, no labor. Magnavox last week announced new color set warranty which adds 90 days free service to regular one-year tube & parts warranty.

Motorola's warranty, expected to remain in effect with new line, provides full-year parts replacement, no labor. Philco has standard parts warranty for black-&-white sets but adds 90 days labor warranty; its color warranty is standard. Westinghouse continues 90-day parts & labor warranty on b&w sets (carry-in

for 19-in. sets), with one-year set replacement guarantee against printed circuit board breakage. Westinghouse also has guarantee plan optional with distributors, providing additional 9-month parts & labor warranty for all 19-in. Instant-On sets.

Warranty on Sylvania b&w TVs provides one-year replacement of all parts & tubes, guarantee of Halolight power transformer & lighting tube for life of receiver.

Sears Roebuck & Montgomery Ward have somewhat similar warranties including labor. Sears warrants all tubes & parts for one year, with 90-day labor warranty (carry-in for portables). Ward's warranty provides for one year on all tubes, 90 days labor (carry-in for portables).

Thus, warranty picture remains complex & muddy, with nothing near unanimity in industry. Many companies will continue to merchandise warranties as selling feature, while others hew strictly to "standard" warranties. Warranty issue therefore should stay hot & controversial for another year.

PROFILE OF ELECTRONIC PARTS DISTRIBUTORS: Quietly going about their business, nation's 1,770 electronic parts distributors topped $1 billion in sales last year for first time, or surely will do it this year, according to latest projections. Final 1962 figures aren't in yet, but sizable jump from 1961's $940.3 million sales is evident.

Profits in 1962 may be different story, however. Squeeze was on, and if our analysis of 7 major parts distributors is indicative, earnings plunged despite soaring sales. National Credit Office's Market Planning Service says 50% of electronic parts volume is done by 9% of total distributors—those whose annual sales volume exceeds $1 million. We analyzed 7 of these million-dollar distributors: Allied Radio, Arrow Electronics, Harvey Radio, Lafayette Radio & Electronics, Newark Electronics, Radio Shack, Terminal-Hudson Electronics.

Total 1962 sales of these 7 distributors whooshed to $107 million from 1961's $86.9 million. Their earnings dropped to $1.4 million from $2.3 million. However, drop in earnings of the 7 is unduly emphasized by Radio Shack's 6-month loss of $593,590.

Sales gains were posted by 6 of 7 distributors. Only Radio Shack declined. But only 2 of 7—Harvey Radio and Lafayette Radio & Electronics—increased profits, both by sizable margins. Here are 1962-vs.-1961 sales & earnings of 7 electronic parts distributors:

	Sales		Earnings	
	1962	1961	1962	1961
Allied Radio (6 mo. to Jan. 31, 1963)	$ 32,477,965	$25,957,785	$ 638,764	$ 723,989
Arrow Electronics	5,067,112	4,219,203	110,913	135,406
Harvey Radio (year to Jan. 31, 1963)	7,188,020	4,356,081	357,453	232,592
Lafayette Radio & Electronics (6 mo. to Dec. 31)	15,974,879	12,131,076	482,092	338,897
Newark Electronics (year to Aug. 31)	22,384,646	16,941,429	258,824	368,698
Radio Shack (6 mo. to Dec. 31)	8,024,854	10,432,949	(593,590)	102,206
Terminal-Hudson Electronics	13,917,652	12,884,957	162,770	430,120
TOTALS	$107,035,128	$86,923,480	$1,417,226	$2,331,908

Without fanfare, electronic parts distributors have been riding with changes in electronics industry during past half decade and increasing their volume significantly. From 1957 through 1961, NCO's Market Planning Service found, sales have mushroomed more than 39% to $940.3 million from $671.9 million. In that period, sales of TV accessories declined 2.5% to $82.6 million from $84.7 million—but components sales more than took up slack with 75.9% surge to $359.7 million from $204.6 million. Battery sales jumped 37.9% to $38.1 million. Test equipment increased 29.8% to $31.1 million. Tube sales jumped 27% to $272 million. Significantly, sales of sets & other devices boomed 38.4% to $135.9 million, represent industry's 3rd highest volume producer.

Components & tubes still are bread & butter of parts distributor business. In 1961, components led all product categories by accounting for 38.3% of total parts distributor sales—up from 35.3% in 1960. Tubes were second, with a 28.9% take—down from 1960's 30.5%. Thereafter, product mix is thin. Sets & other devices accounted for 14.4% of 1961 sales; TV accessories, 8.8%; batteries, 4.1%; test equipment, 3.3%; tools & manuals, 2.2%.

Primary customer of parts distributor is dealer-servicemen group, which in 1961 accounted for 56.2% of total sales—down from 1960's 58.7%. Industrial & govt. customers represented 34.3% of sales—up from year-earlier's 32.5%. Consumers chipped in balance of 9.5%, up from 8.8% in 1960.

"Home electronics dealer portion of the business has leveled off at approximately one half-billion dollars in annual sales," noted RCA Tube Div.'s D. M. (Max) Branigan in recent speech before N.Y.-N.J. Chapter of National Electronic Distributors Assn. He continued: "With the replacement portion of the electronic parts business declining, increased sales promotion efforts must be placed on product lines with elastic demands—where effort can expand coverage & total market as well. This applies to many of the so-called consumer products: Radios, tape recorders, as well as such items as antennas & test equipment."

Servicemen & dealers still account for nearly $6 of every $10 dollars of total distributor sales, NCO emphasized in its analysis, but largest percentage increase in 1961 business was netted by "direct sales to individual consumers—specifically mail order, sales to amateurs, and over-the-counter." Concluded NCO: "Sales of primarily parts distributors are now certain to enter into the prestige of the Billion Dollar Industry bracket in 1962."

More distributors than ever before are slicing industry pie. At end of 1962's first quarter, there were 1,770 distributors with total of 2,570 outlets & branches. However, number of newcomers is declining. Some 43 companies entered field in 1961, down from 58 in 1960 & 73 in 1959.

Here's size breakdown of the 1,770 distributors & their share of 1961 parts business: Largest group—33% of total—is represented by distributors with $100,000-$249,000 volume. They did 12% of parts sales. In order come the under $100,000 group, 26% of total, 3% of business; $250,000-$499,000 group, 20%, 16% of sales; $500,000-$999,000 group, 12% of total, 19% of sales; over $1 million group, 9%, 50% of total parts sales.

TV-RADIO PRODUCTION: EIA statistics for week ended May 3 (18th week of 1963)

	Apr. 27-May 3	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV	134,716	138,536	127,169	2,419,788	2,325,684
Total radio	327,779	355,989	341,596	5,870,929	6,447,852
Auto radio	134,704	145,257	118,026	2,662,788	2,255,666

Seminar on uhf in N.Y.'s Carnegie Hall May 14, sponsored by Committee for Full Development of All-Channel Broadcasting, will feature addresses by Comrs. Lee & Henry. Pilot project in all-channel promotion campaign, it will be open free to dealers, distributors & technicians. Lee's keynote speech will be introduced by N.Y. Deputy Mayor Paul Screvane. Municipal Bcstg. System Dir. Seymour N. Siegel will describe programming plans for city-owned WNYC-TV. Five-man panel will answer questions posed by Siegel and members of audience. Panel members: Philco Electronic Engineering Mgr. Harris O. Wood; Robert G. Weston, engineering asst. to Comr. Lee; Knickerbocker Distributing Corp. (Motorola) Service Mgr. Jack Warganz; Ed Cicchetti, operator of C.S.I. Electronic Servicing Inc., Flushing, N.Y.; Jerrold Technical Operations Mgr. Jack D. Beever. Comr. Henry will present plaque to dealer most successful in selling all-channel sets this year.

Of England's new TV sets, 80% are rented, and rental is reduced annually as inducement to keep same set. Recent survey found, for example, that 19-in. set that sells for $176 rents for $1.20 a week, with rental reduced 7¢ a week for each year used. Rental for first 3 months is paid in advance. Rental companies service their sets without charge. Unless set is kept for 4 years, survey found, renting is cheaper than buying.

Recent set introductions: (1) **Magnavox**—2 color stereo theaters with fully transistorized radio & stereo components, tambour doors, at $1,250; 4 color consoles at $650 (3 models) & $795; five 19-in. spring portables from $169.90 to $229 (remote); 2 stereo portables at $99.90 & $139.90 (all-transistor), latter being Magnavox's entry in drop-down phono field; stereo consolette for use on shelf, table or own legs, all solid-state ($139.50). (2) **Zenith**—formally announced availability of its Stereo Professional & Stereo Precision record changers as separate components through Zenith dealers. (3) **GE**—introduced its anticipated coffee-table stereo units at $229-$309 with swivel-out turntable to leave top of table free for use. (4) **Sylvania**—3 new color lowboys at $599.95, $639.95 & $725.

German-made multi-band transistor portable may be added to RCA line, group exec. vp W. Walter Watts said at stockholder meeting last week (see p. 10), in response to question from floor as to why RCA has no AM-FM-SW transistor set. "We're now studying such a unit, made in Germany," he replied. "To date it will not pass our engineering standards. When it does, it will be in our line."

"Five TV Picture Tube Designs" is title of new pamphlet by Sylvania Electronic Tube Div., describing Corning & PPG-type bonded tubes, Kimcode, plastic laminate & conventional tubes. It's available free from Sylvania, 1100 Main St., Buffalo 9, N.Y.

RCA'S COLOR—ROSY: RCA put on its biggest financial spectacular in color—glowing color—for stockholders at annual meeting in N.Y.'s Peacock Theater (formerly Studio 8H) last week. Color was dominant feature of meeting, and hue was rosy. Entire meeting was covered by closed-circuit color, with monitors dispersed around main studio, in an overflow studio and at Exhibition Hall across street. Camera work was excellent, even focusing on questioners as they arose.

Tenor of reports from RCA's divisions added to general good feelings of stockholders by the time they opened their box lunches after harmonious meeting. Chmn. David Sarnoff reported first 4 months set new record, predicted new record sales & earnings this year, "given a favorable national economic climate." Pres. Elmer W. Engstrom, and all divisional chiefs, in their reports, reiterated the optimism. Among highlights of meeting:

Home instruments—Group exec. vp W. Walter Watts reported upward trend is continuing in 1963, with color set sales still running 40% ahead of last year and increase in this rate anticipated before year's end. Color tube shortage, he predicted, will continue through 1963. He said RCA's share of portable TV market is rising, and its radio sales are up in face of general industry decline.

Components—Continued accelerated business this year, to reach all-time dollar high in 1963. Tube Div. first quarter sales set record. Semiconductor situation should improve this year.

NBC—Chmn. Robert Sarnoff reported "sales & earnings momentum of 1962 is carrying forward into the present year, with NBC's first-quarter profits well above last year's record first quarter; this favorable trend is continuing into the 2nd quarter," with new all-time high predicted both for quarter and for full year. TV network & TV stations are setting the pace.

RCA Service Co.—"This year, for the first time, revenue from installations & service on color TV receivers could surpass revenue on black-&-white sets."

Other reports: Group exec. vp Charles M. Odorizzi predicted a nearly fivefold increase in number of TV stations in U.S. as result of growth of uhf. RCA Victor Records "continued its record-breaking trend for the first quarter of 1963. RCA still expects its data processing operations to cross over into black by end of 1964.

Good reports at meeting were taken to heart by investors. Next day (May 8) RCA stock rose 2⅛. At week's end it was 66⅞, year's high.

Gen. Sarnoff was in fine fettle at meeting, fielding questions with wit and good humor—even those which might appear embarrassing on a less auspicious occasion. Example: Grey-haired woman stockholder asked him where was the picture-on-wall TV he "promised for your 50th anniversary" in electronics industry. Replied Sarnoff: "My dear lady, I didn't promise—I asked for it. I hope you'll have it for your 50th anniversary."

———■———

Admiral will move northern California hq, sales office & distribution facilities of its San Francisco Div. to new 32,000-sq.-ft. building at 280 Valley Drive, Crocker Industrial Park, San Francisco, around Aug. 1.

Importance of retail salesmen in TV & stereo is emphasized in recent letters to retailers from 2 companies. Motorola Consumer Products Inc. marketing vp S. R. (Ted) Herkes last week decried those who see salesmen as "vanishing Americans," adding: "No manufacturer . . . no dealer can continue to live with a selling philosophy based on price alone." He stated that Motorola is now sending more than 5,000 merchandising awards monthly to retail salesmen in its "Step-Up to Leadership" program. Magnavox Pres. Frank Freimann, in recent letter to dealers, condemned those who "follow the path of least resistance" in selling, converting salesmen into "order-takers." "People want to be sold—honestly," he said.

EIA has reorganized its International Dept., dropping product orientation in favor of 8 functional committees. Four committee chairmen already have been appointed: U.S. govt. affairs, William M. Adams, Sprague Electric; international statistics, L. C. Melas, RCA International; transportation & traffic, Paul E. Romberg, Philco International; Trade Expansion Act, R. Edward Warn, Litton Industries' Westrex Communications Div. Chairmen will be named shortly for 4 other committees: International investment & manufacturing, international marketing, export financing & insurance, U.S. export regulations.

Magnavox will conduct 250 sales training clinics for more than 5,000 dealer salesmen & service clinics for more than 3,000 dealer technicians this year, mktg. coordinator James J. Shallow told 4th annual marketing strategy conference of Sales Executives Club of N.Y. Pres. Frank Freimann noted that Macy's will sell some $4 million in Magnavox products this year, explained that company's franchising of Singer Sewing Machine dealers is a plus market because latter attract customers who normally do not shop traditional Magnavox dealers. Magnavox's approximately 2,000 dealers operate a total of 3,000 outlets.

FTC advisory opinion, declaring unlawful small retailer co-op practice that includes prices in pooled ads, was attacked last week by Sens. McGee (D-Wyo.) & Humphrey (D-Minn.). Resolution by McGee asked that no action be taken on FTC doctrine until June 30, 1964, to allow time for investigation & possible legislation. Humphrey called for White House Committee on Small Business to study over-all effects of anti-trust laws on small business.

Color TV & stereo advances have sparked 22% increase in Du Mont sales during first quarter, as compared with same 1962 period, according to Emerson Radio vp George M. Hakim. He said about 50% of Du Mont sales were in "higher-ticket models," despite general industry trend to portables. Du Mont will double its color line in June.

Western Electric and Sanders Associates have signed worldwide nonexclusive license agreement under which, in part, latter will use & pay royalties on Western Electric patents for semiconductor & thin film devices. Western Electric will pay royalties to Sanders for use of its patents on flexible printed circuitry & microwave strip transmission line. Agreement extends to AT&T.

GE & IUEW will establish 3 joint subcommittees to "identify the specific areas of agreement or disagreement . . . regarding arbitration, contract language & employe benefits" in advance of contract negotiations which begin in Aug. Similar committees will be formed with other GE unions, company said.

Trade Personals

Armin E. Allen appointed Philco Consumer Products Div. general mktg. mgr., succeeded by **William Balderston** as product planning mgr. Other changes in Philco's splitting of sales & marketing activities: **Charles Hakimian,** formerly general sales & mktg. mgr., becomes distribution & service dir.; **James T. McMurphy,** formerly Philadelphia-based eastern regional mgr., named national sales mgr., a new post; **Kenneth A. Cooper,** formerly general sales mgr., appointed midwest regional sales mgr., with Chicago hq.

Everitt A. Carter elected Oak Mfg. Co. chmn., succeeding Robert A. O'Reilly, retired; Carter also continues as pres. & chief executive officer.

Harry A. Steinberg appointed Jerrold Electronics controller . . . **J. Frank Leach,** Amphenol-Borg Electronics vp & Amphenol Connector Div. pres., elected a dir. of parent company.

David Gilmour, Clairtone Sound co-founder & exec. vp, named pres. of Clairtone Electronic, N.Y.-based subsidiary. He'll retain present title with parent company, but will hq in N.Y.; **David Scott-Atkinson,** planning & development dir., also transferred to N.Y. office.

Dr. Edmond H. Borneman, ex-Westinghouse & Philco, appointed General Instrument Rectifier Div. engineering dir., a new post . . . **Dr. Janis Galejs,** Sylvania senior scientist, will lecture in Germany this summer at NATO-sponsored conference on low-frequency electromagnetic radiation.

Edwin J. Deadrick named Audio Devices mfg. vp . . . **Arnold R. Kaufman** named pres. of Litton Industries' Triad Transformer & Triad Distributor Divs.

Distributor Notes: **Packard Bell Electronics** appoints **L. R. Swiney Co.,** 2745 W. Palm Lane, Phoenix (headed by ex-Packard Bell district sales mgr. L. R. Swiney) distributor for northern Arizona & Maricopa County • **Marshall C. Wells** establishes Marshall Wells Co. to represent Admiral as distributor in Fresno, Cal. area, succeeded by **Frank D. Neer** as Admiral-San Francisco Div. gen. mgr.

Reports & comments: Aerovox, review, Leason & Co., 39 S. La Salle St., Chicago • **Stewart-Warner,** analysis, Halle & Stieglitz, 52 Wall St., N.Y. 5 • **GPE,** review, Hirsch & Co., 25 Broad St., N.Y. 4 • **CBS,** study, A. M. Kidder & Co., One Wall St., N.Y. 5 • **RCA,** analysis, 120 Broadway, N.Y. 5 • **AT&T,** report, Gerstley, Sunstein & Co., 121 S. Broad St., Phila. 7 • **Time Inc.,** report, Merrill Lynch, Pierce, Fenner & Smith, 70 Pine St., N.Y. 5 • **Walt Disney Productions,** comments, Bache & Co., 36 Wall St., N. Y. 5 • **United Scientific Labs,** report, Alessandri & Co., 11 Broadway, N. Y. 4.

Dynamics Corp. of America's 1963 performance "should be at least equal to & probably better than" 1962's $3.6 million earned on $75 million sales. Chmn.-Pres. Raymond F. Kelley also told annual meeting that a regular cash dividend would have to be deferred for company growth. If anticipated earnings are paid out, he said, "we can't make more money next year. We can't grow."

Davega Stores' bankruptcy referee will hold hearing May 15 on $285,000 offer by Henry Modell & Co., or higher offers, for Davega's assets & name. Hearing is scheduled for 11 a.m., U. S. Courthouse, Foley Square, N.Y.

Mergers & acquisitions: Webcor has sold its Chicago-based Lamination Div. to **Howard Industries** for some $2 million in cash & a 15-year convertible note • **Victoreen Instrument** has purchased Hymeg Resistance, will transfer manufacturing of latter's resistors from Willow Grove, Pa. to its Cleveland plant • **Avnet Electronics** will acquire by June 30 **Fairmount Motor Products,** Philadelphia-based distributor of automotive replacement parts. Purchase price: $3 million in cash and non-interest bearing notes maturing between March 1964 & June 1966, $500,000 in Avnet common shares • **Maremont** now owns 90.3% or 665,729 of **Gabriel's** outstanding 737,113 common shares. Under recent exchange program, Maremont offered Gabriel stockholders for each of their common shares $3 cash & $20 in par amount of its 1963 cumulative convertible preferred stock.

Hoffman Electronics' Consumer Products Div. is producing only 5%, or $2 million, of total annual volume, and this "is not satisfactory," Pres. Stanley W. Horrocks told stockholders. Hoffman is projecting $8-10 million volume for consumer products in 1964, he said, and consumer operation may be scuttled unless it shows ability to hit that level. In addition to present line of radios & tape recorders, Hoffman is contemplating adding stereo consoles. (For Hoffman's first-quarter report, see financial table.)

Purolator has bought 17,000 of Tung-Sol's 900,000 outstanding common shares, but Purolator Pres. James D. Abeles said oil filter company has "no intention of acquiring Tung-Sol at the present time." However, Tung-Sol Pres. Milton R. Schulte said the 2 companies have been exploring merger & joint marketing possibilities intermittently for past 2 years. New talks began April 30, he noted, adding: "Whether a union can be effected will depend on mutually satisfactory terms."

Sylvania's first quarter earnings rose 21% to record $22,060,000 from $18,162,000 a year earlier. Pres. Gene K. Beare said that although electronics market seems "unsettled," business is "good and will be very good for many, many years to come." He said color TV "will be a big boost" to Sylvania, noted that production of color tubes is expected to begin "perhaps later this year."

Magnavox is aiming for 20% profit increase this year over 1962's $12.7 million. "The increase can be accomplished with effective performance from within the company," Pres. Frank Freimann told annual meeting. "We have the opportunity to continue this growth into the foreseeable future."

Telectro Industries experienced first-quarter loss of $19,780 vs. year-earlier profit of $188,734. Pres. S. Robert Gordon told annual meeting, however, that profitable operations are anticipated for rest of year.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk.of Record*
CBS Inc.	Q	$0.35	June 7	May 24
Consol. Electron. Ind.	Q	.25	July 3	June 10
Cowles Mag. & Bcstg.	Q	.10	June 15	May 31
Goodwill Stations	Q	.12½	June 5	May 26
Meredith Publishing	Q	.35	June 14	May 24
Screen Gems	Q	.15	June 28	May 23
Storer Bcstg.	Q	.45	June 7	May 24
Storer Bcstg.-B.	Q	.12½	June 7	May 2
Taft Bcstg.	Q	.15	June 14	May 15

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Admiral	1963—qtr. to Mar. 31	$ 49,907,686	$ 1,560,813	$ 784,545	$0.32	2,423,161
Story below	1962—qtr. to Mar. 31[1]	48,309,910	1,357,446	509,957	.21	2,423,161
Clevite	1963—qtr. to Mar. 31	25,275,052	—	1,450,690	.75	1,900,000
	1962—qtr. to Mar. 31	25,972,229	—	1,852,350	.96	1,893,000
CBS Inc.	1963—qtr. to Mar. 31	141,213,861[2]	—	10,175,001[2]	1.11	8,889,932
	1962—qtr. to Mar. 31	131,967,395	—	8,073,780	.88	8,896,813
Decca Records	1963—qtr. to Mar. 31	—	—	983,611	.64	1,527,401
	1962—qtr. to Mar. 31	—	—	2,135,858	1.66	1,285,701
Disney Productions	1963—6 mo. to Mar. 30	32,241,856	5,343,556	2,576,556[2]	1.49	1,725,049
	1962—6 mo. to Mar. 30	32,643,281	5,211,065	2,425,065	1.45	1,674,804
Friendly Frost	1963—year to Jan. 31	28,531,478	—	(610,406)	—	937,620
	1962—year to Jan. 31	29,273,895	—	300,943	.32	937,620
Gross Telecasting	1963—qtr. to Mar. 31	634,950	—	163,841	.11	440,000
	1962—qtr. to Mar. 31	549,182	—	138,898	.35	400,000
Hoffman Electronics	1963—qtr. to Mar. 31	8,852,355	—	3,739	—	1,538,888
Story p. 11	1962—qtr. to Mar. 31	12,234,879	—	183,085	.11	1,537,312
International Rectifier	1963—9 mo. to Mar. 31	13,497,881	1,243,055	677,687	.28	2,414,542
	1962—9 mo. to Mar. 31	12,850,172	1,838,495	937,630	.39	2,414,542
	1963—qtr. to Mar. 31	4,723,483	376,452	167,318	.07	2,414,542
	1962—qtr. to Mar. 31	5,101,371	722,142	382,287	.16	2,414,542
ITT	1963—qtr. to Mar. 31	270,867,548[2]	26,130,062	9,407,958[2]	.56[3]	16,646,640
	1962—qtr. to Mar. 31	241,964,362	23,840,131	8,181,921	.49[3]	16,404,626
Meredith Publishing	1963—9 mo. to Mar. 31	54,449,000	—	1,919,571	1.44	1,331,212
	1962—9 mo. to Mar. 31	52,845,000	—	2,413,174	1.81	1,323,866
Minnesota Mining & Mfg.	1963—qtr. to Mar. 31	172,135,132	—	19,616,006	.38	52,064,535
	1962—qtr. to Mar. 31	161,685,673	—	18,974,652	.37	51,754,142
Motorola	1963—qtr. to Mar. 31	80,590,096[2]	3,199,148	1,356,667	.34	4,030,282
Story below	1962—qtr. to Mar. 31	77,017,162	5,148,654	2,455,944	.61	4,028,652
National Co.	1963—qtr. to Mar. 31	1,736,156	(23,202)	(45,102)	—	804,246
	1962—qtr. to Mar. 31	2,389,666	79,711	51,831	—	802,779
National Union Electric	1963—qtr. to Mar. 31	9,059,626	—	242,777	.04	5,747,479
	1962—qtr. to Mar. 31	9,318,768	—	348,507	.06	5,747,479
Reeves Bcstg. & Development	1963—qtr. to Mar. 31	1,297,559	179,792	82,739	.06	1,408,893
	1962—qtr. to Mar. 31	1,126,481	24,452	14,952	.01	1,408,893
Standard Kollsman	1963—qtr. to Mar. 31	18,020,000	—	265,456	.12	2,245,301
	1962—qtr. to Mar. 31	23,436,000	—	805,381	.36	2,245,301
TelePrompTer	1962—year to Dec. 31	5,431,930	—	55,957	.07	748,090
	1961—year to Dec. 31	4,921,319	—	(884,604)	—	738,410
Warner Bros.	1963—6 mo. to Mar. 2	47,941,000	—	3,927,000	.81	4,837,052
	1962—6 mo. to Mar. 2	40,901,000	—	4,074,000	.84	4,830,052

Notes: [1] Restated to exclude subsidiary Admiral Italiana, closed at end of 1962 (Vol. 3:13 p11). [2] Record. [3] After preferred dividends.

MORE FIRST QUARTERS: Admiral & Motorola opened 1963 with quarterly performances at variance with their 1962 showing. Admiral, which suffered 1962 profit decline (Vol. 3:12 p11), increased first-quarter earnings to $784,545 from $509,957 a year earlier on sales rise to $49.9 million from $48.3 million (see financial table). Motorola, riding 28% profit jump in 1962 (Vol. 3:11 p11), experienced 45% profit slide in first quarter to $1.4 million from $2.5 million despite 4% sales gain to record $80.6 million from $77 million.

Admiral's civilian business more than offset lower military volume, Pres. Vincent Barreca reported. Color TV unit sales mushroomed more than 100% from a year ago, and stereo radio-phonograph combinations posted "substantial increases" in sales. Radio sales slipped some 2%.

Motorola attributed its profit decline to color tube development costs & expense of marketing new semiconductor products. Pres. Robert W. Galvin said 23-in. rectangular color tube project already has cost Motorola & National Video more than $4 million. "Our endeavor to produce this tube," he said, "is reaching the point of decision." Despite certain continuing "extraordinary costs" on the color tube & semiconductor devices, he added, "we expect earnings in the 2nd quarter to approach more closely the year-earlier level." Sales & earnings in 3rd quarter "should exceed" 1962's like period & total 1963 sales "should set a record." Galvin said 2nd-half profits should be "creditable."

NAB LIBRARY MAY 20 1963

WEEKLY

Television Digest

with

Consumer Electronics . . . (starts page 8)

MAY 20, 1963 NEW SERIES VOL. 3, No. 20

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

NEXT—THE 'HENRY ADMINISTRATION', expected to regulate more via rules than through appeals to public a la Minow. Henry gives views on top topics. What's expected of Loevinger. Minow summarizes 2-years' events (p. 1).

VHP DROP-INS—THE 51-49 QUESTION facing Minow, who is probably the swing man. Fortunes ride on vote (p. 3).

STAGE SET FOR NAB'S RATINGS REMEDY: Harris Subcommittee to hear Pres. Collins; NAB-RAB meet again, not yet agreed; NAB shows proposal to raters, asks support; Harris addresses SRA (p. 3).

SHAPE OF FCC'S TV PROGRAM FORM beginning to emerge as Bartley, Ford & Cox submit concepts for full FCC discussion, possible this week. Three approaches, with many similarities, studied (p. 5).

TOO-MANY-COMMERCIALS PLAN issued by FCC, 4-3 vote, July 1 deadline for comments. Hyde sees 'enormous policing' job, departure from statute. Bartley calls it 'irritating act of futility,' says quality should count, not quantity. NAB's Collins asks top agencies to 'cooperate' with Code subscribers (p. 6).

PROPOSED AM-FM STANDARDS: FCC sets rule-making to tighten engineering, encourage FM growth; rules would establish maximum number of stations per market by population, would forbid more than 50% FM duplication of AM (p. 7).

Consumer Electronics

THE NEW LINES—Philco & RCA feature surprising price reductions and upgrading of product without increases; both show 16-in. sets at $129.95, place more emphasis on middle & low-end consoles & combinations. RCA $450 color drop-in may be coming (pp. 8 & 13).

TINYVISION, U.S. STYLE, introduced by GE at $99.95; new 11-in. set weighs 12¾ lb., uses no chassis, will be at stores early in June. All-channel version uses transistorized tuner (p. 8).

SET MAKERS NET GOOD FIRST QUARTER: 11 of 13 TV-radio manufacturers analyzed boosted sales, 9 increased earnings, 7 had record sales, 4 record earnings. However, combined earnings of 8 volume producers dipped more than $300,000 despite $17.2 million sales gain to $287.8 million (p. 9).

FM-STEREO STATION slowdown results in only about 20 new stereocasters so far this year; total now stands at 230 in U.S. & Canada. FM Stereo Market Guide shows 86 stations preparing for stereo (p. 10).

FIRST-QUARTER SALES: EIA's official Jan.-March figures show distributor sales of b&w TV ahead of 1962's opening quarter by some 73,000 units, radio down 290,000, phonos ahead 134,000 (p. 14).

SIRAGUSA LOOKS AHEAD, predicts 2.5 million color set sales, 23.5 million radios, 4.2 million stereo phonos in 1968 at NICB conference; sees good business rest of this year (p. 14).

NEXT—THE 'HENRY ADMINISTRATION': "Tough" is the word everyone uses to describe the kind of FCC we'll have—with William Henry moving up to replace Newton Minow, Lee Loevinger coming in to fill the vacancy, joining Kenneth Cox as the 3rd Kennedy appointee.

Certainly there will be attempts at toughness, undoubtedly more than under Minow. But remember that the 3 New Frontiersmen don't make a majority—and their efforts to give industry stronger medicine could well become more & more unpalatable to their 4 colleagues—Hyde, Bartley, Lee & Ford. Last 3, however, aren't averse to prodding industry from time to time.

Henry is hard to puzzle out. Couple times, he has used strong language—but seemed to water it down when asked to elaborate. For example, in news conference during Omaha hearings, he said: "I don't think necessarily that the standard that the community might have [regarding programming] is necessarily the one we would have." This prompted Rep. Harris (D-Ark.) to ask Minow if that's FCC policy. Minow then wrote that Henry said he intended only to reflect Commission's 1960 policy statement, didn't mean that FCC should direct programming. Another case: In recent Nashville speech, he said that station's percentage of sustaining time "is one of many appropriate yardsticks or guidelines" with which to judge performance. Then, in news conference last week, he said: "Public service programs can be commercial," but the 1960 policy statement "isn't clear" and "we should reevaluate the policy; I dont know what it should be."

Though Henry is personable, most observers expect him to work through FCC rules rather than "going to the public"—as Minow did with tremendous flair. Henry is 34, youngest chairman in FCC history,

a lawyer, bright, aggressive, diligent. He, too, will mellow somewhat in the job, as did Minow—when as chairman he feels full pressure from all sides. Position is at least 10 times as active as that of other commissioners.

Minow's resignation, announced by President Kennedy, is effective June 1—but he'll stay on longer if Loevinger isn't confirmed by then. As long expected, Minow will return to Chicago as exec. vp-gen. counsel of Encyclopaedia Britannica. Kennedy gave him big sendoff, said FCC's actions during his tenure "are indeed impressive." Kennedy released Minow's letter of resignation, in which Minow listed progress of last 2 years: (1) U.S. leads in space communications. (2) ETV "has made extraordinary progress." (3) All-channel-set bill will make more program choice available. (4) Phone rates have been cut. (5) FCC is reorganized, now "effective, viable." (6) License fees were adopted. (7) "There is a greater awareness on the part of the public and the broadcasting industry of the massive responsibilities of broadcasters to serve the public interest. Under the able & dedicated leadership of Gov. LeRoy Collins, the NAB has taken constructive steps. And the FCC's emphasis that broadcasters have a unique public trust has, I believe, contributed to improved service to the public."

Designation of Lee Loevinger to fill Minow vacancy is a surprise, as have been all Kennedy's appointments except Cox's. Loevinger (pronounced LEV-in-jer) is top anti-trust man, Asst. Attorney General under Robert Kennedy. He's to be succeeded at Justice Dept. by William H. Orrick from State Dept. All the shifts bespeak power of Bobby Kennedy—all clearly tied to him. (Incidentally, Henry's daughter attends White House school with Caroline. You can't get much "in-er" that that.)

Those who know Loevinger expect him to give AT&T rough time on communications satellites, because he's done that at Justice Dept. Beyond those, it's popularly assumed he'll generally bug industry about "monopoly." Everyone wonders why he was shifted to FCC; move is considered a step down. Obviously, he didn't satisfy Bobby—though both publicly deny there's a rift. Loevinger is 50, native of Minn., was in private Minneapolis practice 1947-60, served on state Supreme Court a year before taking anti-trust job. He's Democrat, of course, has 3 children—and confesses he's been so busy in Washington he hasn't watched TV.

Henry held news conference last week (attended by his beautiful wife), gave these responses:

(1) Major FCC job—satellite communications.

(2) Major job in broadcasting—making all-channel law work. He said he wants to see "uhf get a fast start—but there's a danger of overselling it." He'd hate to see a lot of operators "lose their shirts."

(3) Overcommercialization—"I have no preconceptions on what that is, but we need a written policy. We have a policy, but even the commissioners don't know what it is."

(4) How to improve programming—"Be alert about segments of the public not served adequately. Make the public aware of its role and our role. Most of the public doesn't know that broadcasters operate under legal obligations. We should keep broadcasters alert to the public's needs. I question whether all major segments are served in prime time. I believe there has been no improvement in program diversity in prime time . . . It's not appropriate to get into what I like or don't like . . . I agree that it's bad to infringe on the freedom of broadcasters. But broadcasters are not free to conform to majority tastes alone—because that doesn't include the public interest . . . I'm not satisfied there are enough public service programs . . . There are green shoots in the wasteland . . . More news . . . More radio news . . . More coverage in controversial areas."

(5) Advertiser domination—"Perhaps there's too much of this. I'd like to see programs more independent. But I'm not for the the magazine concept."

(6) Newspaper ownership—"I agree with our statement to the Celler Committee. You can't generalize"—meaning, sometimes it's all right, sometimes not.

(7) Multiple ownership—"We have many, many more important matters. I think it's worth noting, though, that 15 owners could own the top 75 stations in the nation. But I have no plans for getting into that now."

(8) Ratings—"Industry should come up with its own suggestions. I don't believe the answer now is regulation by FCC. We're concerned about broadcasters following inaccurate ratings like lambs to the slaughter."

Comr. Ford is next man on the spot. Term expires June 30, 1964. Since FCC has 4 Democrats now, Kennedy must appoint a Republican (or independent). We have a year to speculate on whether President will reappoint Ford or look for someone with "Republican" handle—but with New Frontier philosophy. Though Ford is govt. career man, likes job, he won't kowtow to keep position. Brilliant attorney, hard worker, he's singularly employable on outside.

Minow got tremendous farewell from press, which he has always charmed—editorials almost universally praising him. Henry got a baleful greeting from N.Y. Herald-Tribune's Donald I. Rogers, May 15 issue. Writing about Henry's comments on sustaining vs. commercial time, he said: "This means that the lousier business is, the better the FCC should consider the station to be . . . With ideas of this caliber, Mr. Henry seems certain to get the job. The govt. places a high value on failure."

VHF DROP-INS—THE 51-49 QUESTION: In these waning days of Minow administration at FCC, one of most intense questions remaining is—vhf drop-ins. The thing is hot & unsettled. Last official time around (Vol. 3:13 p2), Commission voted 4-3, tentatively, to reject addition of the 3rd vhf station, at short spaces, to: Johnstown, Baton Rouge, Dayton, Jacksonville, Birmingham, Knoxville, Charlotte.

But it hasn't stopped there. Minow is the swing man, and the pressures are on him, both ways. He believes this is closest issue he's faced in his FCC career—a 51-49 matter, either way. But vote may be deferred from projected May 22 meeting to May 29, because Comr. Ford will be out of town May 22. There's considerable determination at Commission to get decision before Minow leaves—by June 1, if new Comr. Loevinger is confirmed by then. No one at FCC relishes job of deferring issue until Loevinger gets familiar with the tremendously complex matter.

Latest move in picture is that of new Comr. Cox. Though strong uhf advocate, he believes that 3rd competitive service from uhf in the 7 cities is many years off without vhf. Therefore, he has quietly resurrected Minow's original compromise proposal: Make the vhf drop-ins—but tell those who get the CPs for them that they must, in 6-10 years or so, shift to uhf. One problem with that is dispute over whether this FCC can bind future Commissions to honor that commitment. Competent men argue both sides.

There are other angles. FCC staff members offer alternatives & questions for whatever is presented: (1) If "no drop-ins," they suggest that no vhfs be added anywhere, even if fully spaced, if they might hurt development of uhf in markets involved. (2) If "yes, drop-ins," should drop-in operators be required to simulcast on uhf? (3) If "yes, drop-ins," should drop-in operators be required to simulcast part-time on uhf—and should they be required to shift to uhf eventually?

And, suppose Minow doesn't turn out to be swing man? Suppose someone else decides to shift? Not impossible—but not likely. If vote doesn't come before Loevinger is sworn in, he has our deepest sympathy.

STAGE SET FOR NAB'S RATINGS REMEDY: Ratings problem—and what to do about it—reaches another climax this week as Harris Subcommittee holds long-awaited hearings May 23 with NAB Pres. Collins. New twist: N.Y. stations reps may be called (for reps' ratings reaction see Vol. 3:19 p3).

With Collins will be Donald McGannon, Group W pres. & NAB research committee chmn., Melvin Goldberg, NAB research vp. If reps appear, they'll testify in June. Staff attorney Robert Richardson has talked to Henry Christal, Christal Co., & James Parsons, of Harrington, Righter & Parsons, others.

Ratings controversy was filled with behind-the-scenes maneuvering last week, e.g., RAB asked NAB to raise $75,000 if latter wants to partner All-Radio Methodology Study; NAB also held long-expected meeting with raters at individual confabs in N.Y., showed them proposal, asked for support—got it.

Rep. Harris (D-Ark.) kept fire going. He told Station Representatives Assn. awards luncheon in N.Y.: "The big, still unanswered question is how broadcast licensees, who as a group possess enormous resources and influence, have allowed themselves to become so shackled by ratings?

"The regulatory hold on broadcasters of the FCC pales by comparison with the chains that bind the broadcaster to the ratings . . . I suspect the answer lies in the fact that the chains . . . are chains of gold.

"Some broadcasters and some broadcasting publications have advanced the argument that ratings constitute a practical application of democracy with regard to radio and television programming. This is

a complete misconception of the obligation imposed upon radio and television licensees by law to perform in the public interest.

"The public is made up of a diversity of interests, and broadcasters are expected to serve this diversity. Ratings have not been employed as I see it in the furtherance of this objective. Rather, the opposite has been true. I think broadcast licensees and persons serving them should come to realize that a radical change in approach is needed."

Harris is concerned that hearings disclosures will be brushed under rug; he wants industry to rebuild ratings house, doesn't want to take govt. action, but several federal courses are open to him.

As Subcommittee hearings resumed last week, he posed: If Congress were to ask Census Bureau to conduct broadcast ratings—assuming broadcasters would pay for it—could Census tackle job? "We could do it," answered Dr. Conrad Taeuber, Census asst. dir. He said Bureau has had no experience in area, would first have to study.

He was queried about methodology (Census uses personal & telephone interviews, mail questionnaires). With obvious reference to previous ratings revelations, Taeuber was asked about its random sample, field controls, editing, weighting, non-cooperators.

Taeuber said he didn't think much of permanent- sample-method, for psychological reasons; respondents can become conditioned to information being sought. He said monthly unemployment study of 40,000 households costs about $2 an interview, said that 95% of information is usable, that non-cooperators represent only about 1%, that samples yielding less than 50% usable data wouldn't meet effective standards.

RAB was big hit with Subcommittee, told it exactly what it wanted to hear—that modern radio with personal listening, portable sets, is being damaged by present audience research, especially by Nielsen & its meter. RAB proposes to raise $200,000 for its All-Radio Methodology Study. Pres. Edmund Bunker said about half is already raised, believes he could get remainder.

RAB is studying proposals of Audits & Surveys and of Politz subsidiary Universal Marketing, on ways to measure radio's total sets-in-use. Bunker & Administrative vp Miles David said plan could conceivably use personal & telephone interviews & diaries to derive different listening aspects & to serve as cross-check.

ARMS field work in 4 cities is targeted for Sept. 1, with published report Jan. 1, 1964. After that, it would be up to present raters or new company to adopt proposed methodology, sell it to industry. ARMS would be cleared through Advertising Research Foundation to insure acceptance by agencies. RAB said it will use services of Dr. Herbert Arkin, Subcommittee statistical consultant.

RAB financing became center of fuss between it & NAB. At N.Y. meeting—2nd in 2 weeks at which NAB research committee sought cooperation—radio assn. laid out plan, asked NAB to put up $75,000 if it wants to co-direct ARMS. RAB said it would put up a little more than that, said it expects to get remainder from stations, networks, plus token support from agencies to insure their involvement.

NAB is mulling plan, will discuss it at June board meeting. NAB also held meetings with major raters, presented general proposal for auditing agency, code of ethics & standards, methodology committee—to function under all-industry board. NAB's plans are still pretty general, super-task to clean up ratings is proving to be heavy load. Financing plans for its proposals call for NAB, station, rating service participation.

Radio research is the most worrisome area. It was learned that NAB research committee met 3-4 weeks ago to explore problem with Metromedia's Mary McKenna, Westinghouse's James Yergin, Katz's Dan Denenholz, RKO General National Sales' Frank Boehm, Blair's Robert Galen. It was suggested that radio needs a general study to investigate proper techniques, similar in part to RAB's plan. Also on radio front, it is understood that ARB has been asked by broadcaster to come up with radio ideas; it has already done extensive FM survey in southern market.

Nielsen met with about 200 reps & station clients May 14-15 in N.Y. Pres. A. C. Nielsen Jr. didn't take usual swipe at Washington hearings. He made plea for station support, said he was concerned over TV cancellations and agency & station drop-outs in radio. Some reps got impression Nielsen is of mind to drop radio. Company holds similar meetings May 23 in Chicago, week later on West Coast.

And Bob Hope closed last show of season with: "And you on the other side of the wasteland, thanks for telling those lies to Nielsen."

SHAPE OF FCC'S TV PROGRAM FORM: Proposed new TV program form, designed to implement FCC's famous July 1960 statement on its programming policy, finally has been submitted to Commission by its special committee: Comrs. Bartley, Ford & Cox. It's on agenda this week.

Proposals haven't been made public, but we've learned their essence. Actually, it isn't a single proposal; its 3: (1) Staff's, which Cox had headed. (2) Bartley's. (3) Ford's. They agree on quite a few matters, disagree on some. Here's what we understand to be nub of proposals:

(1) Bartley: Public is to be canvassed, and station is to tell what it finds of public's needs & interests. Same for city leaders—who are to be identified. Station is to evaluate these needs. Then, programs to meet needs in following year are to be listed. Total number of public service announcements in various categories are to be given. If programs vary from earlier plans, FCC is to be told why.

If foregoing isn't adequate, according to station, it can supply whatever added data it wants. The needs-survey must be done within 6 months before filing, and covers area receiving acceptable signal.

(2) Staff: Station is to poll public & leaders for needs, in same way Bartley proposes—but it doesn't need to show how it evaluated these, concept being that program schedule will reflect station's evaluation. A Proposed Typical Week is to be submitted, showing breakdown by 7 program types, source, length & frequency. The 7 types are taken from the 14 in FCC's 1960 Policy Statement; the 7 remaining types are to be listed separately—giving details of each program for coming year, Nov. 15 to Nov. 15. The 7 latter types include: minority programming, local self-expression, local music, children's, etc. Staff suggests surveys cover Grade B area.

(3) Ford: Station submits narrative statement covering methods station employed, in preceding 6 months, to learn needs and complaints. Then, station gives statement telling what kinds of programs are scheduled to meet those needs—with brief description of all such regularly scheduled programs, including day & time of telecast. Station is also to describe programs presented as result of its survey—and to indicate what kinds of programs were offered to local groups which failed to cooperate, leaving the shows unproduced. Major changes from proposals are to be explained each Nov. 15—with particular attention to programs proposed but not telecast. Records must be kept for 3 years, unless FCC orders them kept longer. Ford would have surveys cover areas getting "acceptable signal," not Grade B.

Once a program form is adopted, FCC believes, stations will know what information must be given Commission—reducing number of charges that staff is trying to dictate programming by "letter writing" campaign attempting to steer stations in particular directions.

All-channel "clinic" in N.Y.'s Carnegie Hall, under sponsorship of govt.-industry Committee for Full Development of All-Channel Broadcasting, drew attendance of about 250 retail, distributor, technician & set manufacturer personnel. Comr. Lee, featured speaker, told group FCC hopes to propose new uhf allocation plan within month, chided N.Y. State Board of Regents for sitting on its 10 uhf ETV allocations. Panel of experts (Vol. 3:19 p9) answered questions from floor, which varied from method of using remote control with all-channel receivers (answer: use "U" position on dial for first channel, strips for any others) to why there is "no network programming on uhf" (answer: there is in some locations) to complaints about "govt. interference" through all-channel-set law. At earlier press conference, Lee predicted "within our lifetime we will have 200 million people and 100 million TV sets" and suggested that there's "pretty good chance in the near future for a 4th TV network," based on anticipated expansion of uhf. Lee said new proposed allocations plan, due in a month, will provide for following number of channels per city (including vhf & uhf, excluding ETV): one in cities of 10-50,000; 3 for 50-150,000; 5 for 150-500,000; 7 for 500,000-2 million; 9 for 2-5 million; 11 for 5 million-plus.

"Group W" is new identification for Westinghouse Bcstg. Co. (no corporate change). Concerned about group-station identification, WBC had Psychological Corp. survey ad community, and it found only 1/3 could define what it is & does. Group W—with unique eye-catching, bold lettering designed by Lippincott & Margulies—will apear in heavy ad & promotion campaign breaking today (20) in *N.Y. Times*, *Herald-Tribune*, national & trade magazines. Lettering of same type as Group W will also be used by group's 5 TVs, 6 AMs. Westinghouse sees industry-wide need in establishing group operation as separate communications & advertising force. Pres. Donald McGannon said that 18-month campaign is planned, that extra costs are involved—but that total expenditures won't greatly exceed normal advertising-promotion budget. Plans include presentation to advertiser-agencies groups in major cities.

Central American TV Network, 6-nation group associated with ABC International, reaches 110,000 sets today compared with 48,000 when it was formed in May 1960 by 5 stations, ABC reports. Half-hour prime time now costs $366 on 6 stations against $281 then. Celebrating 3rd anniversary, CATVN countries are Costa Rica, Nicaragua, Honduras, El Salvador, Guatemala, Panama.

TOO-MANY-COMMERCIALS PLAN: FCC's proposal to limit commercials was issued last week, is as we indicated (Vol. 3:19 p1). Vote was 4-3, as expected—majority: Minow, Lee, Henry, Cox. Ford, Hyde & Bartley dissented, last 2 with statements.

NAB TV & Radio Codes are basis of proposal, and Commission adds a few trimmings. (It's Doc. 15083, comments due July 1, and we'll be glad to get you copy of full text.) As we reported, FCC believes NAB Codes are fine but that too few stations subscribe to them, that many subscribers violate them—and they have no teeth.

Commission also invited stations to tell why they should be exempted from limitations—small market, daytime, seasonal economy, etc. Dissenter Hyde said proposal could "place an enormous policing duty upon the Commission which could give more adverse results than benefits" and "I believe the proposal is inconsistent with the statutory concept of broadcasting as a competitive private enterprise service."

Dissenter Bartley called it "an irritating act of futility." He said FCC already knows why many stations should be exempt. Furthermore, he said, some stations with plenty of good commercials are much better to listen to than others with fewer commercials of the "screaming, irritating & obnoxious" kind that produce "headaches that the advertised product is supposed to cure." In addition, he said, move would be improper delegation of responsibility, would have tendency to freeze NAB Code and would encourage stations into "hiding behind the skirts of recognized maximum quantity and disregarding acceptable quality."

NAB Pres. Collins, meanwhile, continued to blast plan in speeches around the country, insisting that industry can take care of itself. As example, he wrote heads of 50 largest ad agencies, urging them to "cooperate" with Code subscribers. He carefully didn't define "cooperation"—but obvious assumption is that agencies are urged to buy time on stations which subscribe, bypass those which don't. NAB also announced it had contracted with Air Check Services Corp. to do its TV & radio monitoring. Firm is headed by Richard Drost, covers 400 cities, and 50% of its employes are people with physical handicaps.

———■———

Highest price on record for one-minute program participations—$75,000 a shot—is being sought by NBC-TV for commercials in big pro grid event of season, National Football League championship game, to which NBC holds rights. King-sized price tag stems from king-sized price ($926,000) NBC shelled out recently for TV rights (not counting production or time charges) to game. NBC predicts record audience for game, expects to have no trouble unloading its expensive package, privately hopes that recent prediction by CBS-TV pres. James T. Aubrey Jr. that TV sports events are likely to price themselves out of market (Vol. 3:19 p4) won't throw NBC for 10-yard loss.

Boston Ch. 38 CP has been granted to Boston Catholic TV Center Inc., which proposes to operate commercially and to feed instructive programs to schools. For school programs, FCC said, station must limit sponsorship announcements to name of company.

Theater-TV color network is planned in Japan by Toho Co., that country's largest movie producer, distributor & exhibitor, which has placed order for 10 GE Talaria color-TV projectors (Vol. 3:18 p2) at more than $500,000. Under name of Toho TV Theaters, company will begin regular theater TV next spring, plans 10 hours daily of sports (including 1964 Olympics), education, culture, drama & news. Five theaters in Tokyo; 3 in Osaka, and one each in Kyoto & Kobe will participate. Toho is seeking govt. allocation of 7.5-mc bandwidth microwave system to accommodate color pictures of greater resolution than those televised by broadcast stations. National General Corp. has already announced plans for closed-circuit theater-TV network in U.S. (Vol. 3:9 p3).

National Community TV Assn.'s 12th annual convention will have Sen. Magnuson (D-Wash.), Commerce Committee chmn., as keynote luncheon speaker June 11. Meeting at Seattle's Olympic Hotel June 10-14 will also hear: Dr. Royal L. Garff, U. of Utah marketing & speech professor; Loren B. Stone, ETV KCTS-TV Seattle mgr.; Cowles Andrus, special asst. to deputy administrator for financial assistance, Small Business Administration. NCTA's 1963 awards wil be judged by Washingtonians: Henry J. Kaufman, Henry J. Kaufman Assoc., adv.; Bryson Rash, WRC-TV-AM; Robert K. Richards, Richards Assoc., PR.

ETV WNDT N.Y. denied in reply to FCC that any donations from commercial broadcasters carried conditions that it alter its programming in favor of instructional TV (Vol. 3:18 p3). Chmn. Howard Shepherd said there's been no change in proportion between cultural & instructional programming, and there'll be none. He said programming discussions between Pres. Samuel Gould & NBC Chmn. Robert Sarnoff & Exec. vp David Adams were regarded by Gould as "collateral material," not related to NBC's recent $100,000 donation.

Plans for NAB program dept. were outlined by Pres. Collins to South Dakota Bcstrs. Assn. May 17. He said NAB shouldn't get into programming production business, but should offer "extension service" to exchange techniques & ideas, make information available on program material, offer in-service training to programmers. Collins noted that NAB has commissioned U. of Denver research project on entertainment & its values.

Vast & expensive coverage of Maj. Cooper's orbital flight was most impressive to date—though public attention wasn't as rapt as with earlier flights. For first time, Mercury capsule carried slow-scan TV camera for shots in & out of vehicle; pictures were generally poor. TV coverage was taped, relayed to Europe, including Iron Curtain countries, via satellites Telstar & Relay—all in all, a resounding programming & technical feat.

Round-robin "Education Exchange," inaugurated May 20 by 5 NBC owned TV stations, will run 20 weeks starting with 4-week offering of each stations' local series: WNBC-TV N.Y., *Science Age;* WRCV-TV Philadelphia, *U.S. Might & Studies in Creativity;* WRC-TV Washington, *Focus on World Affairs;* WNBQ Chicago, *Modern Math;* KNBC-TV Los Angeles, *Feitelson on Art.*

San Diego Assn. of Bcstrs. is financing 1,600-interview study to determine number of receivers in market, to gather data on FM listening. Accounting Corp. of America will tabulate results turned in by supervisor & 8 interviewers.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington 6, D. C.
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook
VIRGINIA SNOWDEN, Managing Editor, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director
CHARLES SINCLAIR, Contributing Editor

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

TELEVISION DIGEST. Published Mondays. Services: $75-$150 annually. For group rates & other subscription services, write Headquarters.

TELEVISION FACTBOOK Published Annually
TV & AM-FM ADDENDA Published Saturdays
AM-FM DIRECTORY Published Annually

Personals

Felix Jackson, NBC-TV network programs vp, West Coast, promoted to newly created vp, NBC Productions, succeeded by **Grant Tinker,** programs operations vp, West Coast.

Rep. Harris (D-Ark.), chmn. of Commerce Committee, to be honored at luncheon of Broadcast Pioneers D.C. chapter, International Inn, Washington, June 6.

John M. Couric promoted from mgr. to dir., NAB public relations; **Milton E. Magruder,** public relations asst. mgr. to publications mgr.; **Arthur D. Stamler,** audio-visual asst. to mgr. **Robert E. Hallahan,** ex-Army Times Publishing, named NAB public relations asst.

Ben Norman, ex-western regional bcstg. dir., Cunningham & Walsh, Los Angeles, appointed vp & operations dir., Gerald Schnitzer Productions . . . **Al Maffie,** ex-Hallmark Trading Co. pres., returns to radio WNAC Boston as Yankee Network sales mgr.

Matthew Gordon, one-time head of UN press services, appointed information dir., Communications Satellite Corp.

W. Hal Thompson, ex-Peters, Griffin, Woodward Dallas mgr., named commercial mgr., KSYD-TV Wichita Falls.

Obituary

Hugh T. Graham, 44, CBS-TV network gen. mgr.-operations, died May 11 of pneumonia. He joined CBS in Oct. 1957 as unit management & control services mgr. after 8 years with NBC. Native of N.Y., he lived in Yorktown Heights, is survived by wife, 3 daughters, parents.

PROPOSED AM-FM STANDARDS: Controversial new AM-FM standards were proposed by FCC last week (Vol. 3:14 p6); comments due July 17, Comr. Hyde only dissenter.

Heart of proposal is to sharply tighten engineering standards & encourage FM growth. Commission would establish a "go-no go" criteria for new daytime AM applications, protecting present contours. Station would have to provide 1st or 2nd service to at least 25% of area or wouldn't exceed total number of stations in market based on new maximum requirements by city population. Allowable AMs also would be determined by number of FM assignments in communities over 100,000.

Commission wouldn't accept new nighttime applications (other than class II-A) unless new station wouldn't raise RSS limitation of any existing station, and it would have to conform with daytime 25% criterion.

To encourage FM: In cities over 100,000—where there are no unassigned FM channels under table of assignments to be issued—each FM would be required to devote no more than 50% of average week to AM duplicated programs within one year after adoption. Comments are requested on whether rules should apply to metropolitan statistical areas or to cities with over 100,000 population. This rule would not apply to cities under 100,000, nor to cities over 100,000 where there are still available FM channels.

Commission believes separate AM-FM ownership in same community is "necessary long range goal," says duopoly rules are closely related to AM-FM duplication. It believes, however, that present state of FM development does not permit separation now.

FCC adds: As AM frequencies become scarce, it's expected there'll be increase in number of competing applications at renewal time of AM-FM operators in largest markets. In such situations, FCC says, some dual AM-FM operators "may well be vulnerable," particularly if existing licensee has been presenting bare minimum of non-duplicated programming.

Commission expects to issue 2nd rule-making proposals to cover financial qualifications, city signal requirements, dual-city identification, studio location, additional engineering data with renewal applications. When adopted, new rules would lift present AM freeze.

Dissenting Comr. Hyde said that fixing arbitrary numerical limit on stations per market is inconsistent with Communications Act, that it's "unfortunate" NAB's plea against changes affecting competitive free enterprise was ignored, that new rules would abandon discretion to authorize new & changed operations to conform to population & market changes & technological developments, that he didn't think development of FM should become involved in AM allocations.

Comr. Ford, concurring, expressed reservations about "go-no go" system, table of maximum assignments per market, inclusion of FM in AM allocations.

Pulse reports 9 new agency clients & one agency renewal. New: Doherty, Clifford, Steers & Shenfield; North Advertising; Lennen & Newell; Smith-Greenland; John W. Shaw; Brangham/Brewer/Holzer; Smock, Debnam & Waddell; Scotty Glasgow Adv.; Screenboard. Kenyon & Eckhardt expanded to full service.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

THE NEW LINES—PHILCO & RCA: If there are price hikes in the works, they're being deferred till later. First 2 complete 1964 TV-radio-phono lines—from RCA & Philco—seem to go in other direction, to more for the same money, the same for less money. RCA's color line, in fact, now has gap which indicates possibility of future drop-in table model at around $450.

"Despite the pressure on costs such as material & labor," RCA Sales Corp. Pres. Raymond W. Saxon told distributors at Las Vegas unveiling last week, "we have decided to take advantage of the favorable climate for home entertainment merchandise and introduce product lines that have much more value in lower price categories." RCA distributors noted particularly the large expansion in furniture models in the popular $500-650 sector of RCA's color line.

RCA joined march to 16-in. set, pricing it as leader model at $129.95 & $139.95, and Philco—apparently on same premise that smallest screen should carry lowest price—brought out new leader 16-in. at $129.95, just $10 below previous 16-in. leader.

Both lines have increased number of color sets, with more features beginning at lower prices. Black-&-white combo lines are lengthened, with stress on middle & low end. Philco has virtually eliminated metal cabinets, switching to hardboard at same or lower prices as result of recent modernization of its furniture factory. Both RCA & Philco introduced their first FM-stereo table models, former at $199.95, latter at $139.95. Phonos feature more drop-down changers, non-scratch cartridges. For highlights, see p. 13.

Dawn-of-a-new-era feeling was widespread at RCA distributor meeting, as Saxon made these points: (1) "Color TV will undoubtedly be the largest individual contributor to the home entertainment industry's sales volume this year." (2) RCA is predicting banner b&w year, too—sales of 6.5 million of them, plus 750,000 color sets for total of 7.25 million TV's. (3) Integrated circuits may show up within next 5 years in RCA consumer products. (4) Convertibility to uhf "could easily be the most important selling feature of the industry's new sales season." (5) "Days of foreign advantage in manufacturing costs are about over."

U.S. TINYVISION—GE's 11-IN. AT $99.95: GE's widely anticipated 11-in. set at $99.95, which goes on sale nationwide June 1, is unorthodox both in construction & appearance. Although there are step-up models at $109.95, GE hopes to push for mass sales on low-end model, thereby opening up what it believes to be vast 2nd-set market for U.S.-made personal portables.

Here are specs: Square-cornered 11-in. Lamilite (laminated plastic safety shield) picture tube gives 60-sq. in. picture. Weight is 12¾ lb. Speaker is front-mounted, 6 x 2 in. Plastic cabinet, 10⅜-in. high, 9⅞-in. deep, is 14-in. wide at front, tapers to 10-in. at back, has monopole antenna. In addition to picture tube, set contains 9 receiving tubes, including 6 (14 functions) compactrons. It operates on house current only.

Really unique feature of set is that it has no chassis at all, in conventional sense of term, eliminating virtually all metal parts. Circuits & components are mounted directly on front escutcheon and picture-tube mask. GE calls this "unitized construction," says virtually all hand soldering operations are eliminated.

GE engineers discarded traditional TV set construction concepts with specific goal in mind—set which could be sold for less than $100. However, they also came up with valuable byproduct—easy accessibility to all parts. Polypropylene cabinet is made in 2 pieces—front escutcheon and unitized box composing back & sides. Box is removed by taking out 4 long bolts, exposing all parts. GE says picture tube replacement takes 6 minutes, including opening & closing set. In tests of replacing 7 most commonly serviced components, says GE, job could be done about 45% faster on little set than next most serviceable TV set.

All-channel version will contain GE's new miniature transistorized uhf tuner (Vol. 3:13 p7), which will go in all new all-channel sets in GE line and represents GE's entry into tuner manufacturing business. In little set, it's expected to add $20 to price, although no retail price has been announced for all-channel version. Since this will bring nominal retail price up to $119.95, you can bet that in coming months GE will be working furiously on further manufacturing efficiencies to make possible all-channel version at magic figure of $99.95 come U-Day next April 30.

The $109.95 step-up has aluminum handle (instead of plastic), dipole antenna, earphone jack, comes in 2 colors—champagne or bright cherry red (the color itself being an innovation in TV set design).

Entire industry will be watching progress of GE's little personal portable. Only other U.S. firm known to be planning to produce its own tinyvision is Admiral (best guess as to introduction month: September), but others are seriously considering import of small Japanese sets. For example, Toshiba says it has contracted to sell Sears Roebuck 10-in. house-current sets; initial quantities have been estimated at 10,000.

Philco product planning mgr. William Balderston told us last week: "There'll be a market for 11-in. sets. We're looking at them but have no plans for them at this time. We think that TV ultimately will fragmentize, as radio did. Ultimately, few manufacturers will be able to make all sizes."

Firmly committed to "fragmentation" of TV audience into personal viewing units, GE can be expected to introduce further unique variations of its 11-in. set soon.

• • • •

GE announced "lifetime guarantee" on etched circuit boards of the 11-in. Defects occurring in boards will be repaired "at no cost to the customer" during full life of set.

GE TV ad mgr. Vincent Novak said that study 4 years ago of 10,000 service calls revealed only 2 circuit boards had to be replaced. "Any confusion remaining in the customer's mind about the superiority of modern assembly methods," he said, "should be forever laid to rest by this new warranty." Thus GE joins RCA & Philco in declaring unremitting war against claims made for hand wiring. Incidentally, so-called "standard" warranty (Vol. 3:19 p7) is mythical, dating back more than decade when EIA had warranty standards, since discontinued.

SET MAKERS NET GOOD FIRST QUARTER: TV-radio manufacturers were off & running strong in 1963's opening quarter, despite signs of foot-dragging here & there. Sales generally fared better than profits, however. Eight volume set makers boosted collective sales $17.2 million over 1962's first-quarter level, but their earnings sloughed off by more than $300,000. Conversely, 5 companies in which TVs & radios are but several of many consumer & military products increased their earnings by $10.7 million on a $112 million sales gain.

Our analysis of these 13 set makers produced these capsule findings: (1) Aggregate corporate sales & profits were decidely ahead of a year ago. (2) Surprising number—7 of 13—posted sales records. (3) Four had record earnings. (4) Overwhelming number—11 of 13—boosted sales. (5) Nine of 13 increased earnings. (6) Only 2 failed to finish quarter in the black.

Eight manufacturers which concentrate on home electronic products ran their collective sales to $287.8 million from $270.6 million a year ago. Their earnings, however, slipped to $10.4 million from $10.7 million. The 1963 figure is after deducting losses of $53,000 by Wells-Gardner & $6,208 by Andrea Radio. The 8 companies: Andrea Radio, Admiral, Magnavox, Motorola, Muntz TV, Packard Bell, Wells-Gardner, Zenith. Six increased sales, 4 improved earnings.

Record sales & earnings were scored by Magnavox & Zenith. Motorola had record sales. In addition to its loss, Wells-Gardner experienced 14% sales drop. Pres. Grant Gardner attributed loss largely to start-up expenses for color TV production & drain of subsidiary cabinet factory, forecast "profitable" 1963. Motorola, which saw earnings drop 45%, noted major investments in color TV & new semiconductor products. Muntz TV, 3rd company with a profit slide, despite sales rise, had to make provision for first time in many years for federal taxes. Comparison with year-earlier's taxless earnings is therefore not entirely valid.

Solid sales & profit gains were scored by the 5 multi-product companies in which TVs & radios produce only a portion of over-all volume. Combined first-quarter sales of Arvin Industries, GE, GT&E, RCA

& Westinghouse burgeoned to $2.435 billion from $2.323 billion. Their amalgamated earnings increased to $111.5 million from $100.9 million. All improved sales & earnings over 1962's first quarter, and GT&E and RCA had record volume & profit. GE & Westinghouse also had record sales.

Profit gains of 9 companies which improved earnings picture were more solid than dramatic. RCA was up 19% to $17.3 million from $14.5 million. Zenith climbed 7% to $5.1 million from $4.7 million. Magnavox improved to $2.9 million from $2.4 million. Westinghouse gained 7% to $12.6 million from $11.8 million, and GE boosted earnings more than $3 million to $59 million from $56 million. Admiral, which saw profits sink in 1962, got them moving ahead again with a gain to $784,545 from $509,957.

Major sales gains were made by Zenith, up 13% to $92.3 million from $81.5 million; Westinghouse, up 6% to $489.7 million from $460.5 million. Other strong gains: Motorola—to $80.6 million from $77 million. Packard Bell—$13.3 million from $11.7 million. Arvin—$22.1 million from $18.8 million. GE boosted sales nearly $54 million to $1.154 billion from $1.1001 billion.

Here's 1963-vs.-1962 first-quarter performance of 8 volume producers:

	Sales		Earnings	
	1963	1962	1963	1962
Andrea Radio	$ 944,493	$ 1,455,312	$ (6,208)	$ 87,185
Admiral	49,907,686	48,309,910	784,545	509,957
Magnavox	43,821,000	43,039,000	2,903,000	2,435,000
Motorola	80,590,096	77,017,162	1,356,667	2,455,944
Muntz TV (qtr. to Feb. 28)	3,205,000	3,140,000	140,365	264,549
Packard Bell	13,278,000	11,730,615	229,000	186,751
Wells-Gardner	3,764,000	4,380,000	(53,000)	62,000
Zenith	92,266,684	81,520,763	5,062,980	4,728,794
TOTALS	$287,776,959	$270,592,762	$10,417,349	$10,730,180

Here are comparative first quarters of 5 multi-product companies:

Arvin Industries	$ 22,144,000	$ 18,815,000	$ 535,000	$ 472,000
GE	1,154,473,000	1,100,566,000	58,979,000	55,963,000
GT&E (Sylvania)	332,479,000	317,906,000	22,060,000	18,162,000
RCA	436,000,000	425,000,000	17,300,000	14,500,000
Westinghouse	489,742,000	460,466,000	12,588,000	11,778,000
TOTALS	$2,434,838,000	$2,322,753,000	$111,462,000	$100,875,000

SLOWDOWN IN FM-STEREO STATION STARTS: New FM-stereo starters have slowed down to trickle since first of year, with only a score beginning stereocasting. Count of known stereocasters now stands at 230 in U.S. & Canada.

Survey of broadcast equipment manufacturers shows slowdown is general—but there's feeling among manufacturers and at FCC that there'll be pickup toward fall. Commission is expected to end FM new-station freeze before it goes on vacation at end of July, opening way for more new stations—and majority of new FM stations go on air equipped for stereo.

Our survey of equipment makers did turn up 88 FM stations which are preparing for stereocasting —they've ordered or have received equipment. Among stereocasters are now appearing some of the big names in broadcasting, as well as young new entrepreneurs anxious to make a name with stereo. All 3 major networks now have definite plans to start stereocasting on owned-&-operated stations. NBC's WMAQ-FM Chicago is already broadcasting in stereo. CBS is preparing its KCBS-FM San Francisco, KNX-FM Los Angeles & KMOX-FM St. Louis. ABC's FM flagship, WABC-FM N.Y. plans to begin stereocasts shortly.

Here are our latest lists of FM stations now broadcasting in stereo, followed by upcoming FM stereo markets (expected to be on air in stereo by end of year):

STATIONS BROADCASTING IN FM STEREO

ALABAMA
Birmingham ..... WCRT-FM, WSFM
Huntsville ..... WNDA

ALASKA
Anchorage ..... KBYR-FM

ARIZONA
Phoenix ..... KEPI, KNIX
Sun City ..... KTPM

CALIFORNIA
Beverly Hills ..... KCBH
Coachella ..... KCHQ
Fresno ..... KCIB, KXQR
Garden Grove ..... KGGK
Long Beach ..... KNOB
Los Angeles ..... KFMU, KMLA, KPOL-FM, KRHM
Monterey ..... KHFR
Palm Springs ..... KDES-FM
Riverside ..... KDUO
Sacramento ..... KHIQ, KSFM
San Diego ..... KFMX, KGB-FM, KLRO, KPRI
San Francisco ..... KBAY-FM, KBCO, KMPX, KPEN, KSFR
San Jose ..... KSJO-FM
San Luis Obispo ..... KVEC-FM
Santa Barbara ..... KMUZ
Santa Maria ..... KEYM
Turlock ..... KHOM
Ventura ..... KUDU-FM
Visalia ..... KONG-FM
Walnut Creek ..... KWME

COLORADO
Colorado Springs ..... KLST
Denver ..... KLIR-FM

CONNECTICUT
Brookfield ..... WGHF
Hartford ..... WTIC-FM
Meriden ..... WBMI

DELAWARE
Wilmington ..... WJBR

DISTRICT OF COLUMBIA
Washington ..... WASH

FLORIDA
Cocoa Beach ..... WRKT-FM
Coral Gables ..... WVCG-FM
Ft. Lauderdale ..... WFLM
Miami ..... WAEZ, WWPB
Orlando ..... WHOO-FM
Pensacola ..... WPEX-FM
St. Petersburg ..... WTCX
Sarasota ..... WYAK

GEORGIA
Athens ..... WGAU-FM
Atlanta ..... WKLS, WSB-FM
Gainesville ..... WDUN-FM

HAWAII
Honolulu ..... KAIM-FM, KPOI-FM

ILLINOIS
Bloomington ..... WJCB-FM
Chicago .... WEFM, WFMQ, WFMT, WKFM, WMAQ-FM, WSBC-FM
Joliet ..... WJOL-FM
Quincy ..... WGEM-FM
Rock Island ..... WHBF-FM

INDIANA
Columbus ..... WCSI-FM
Evansville ..... WIKY-FM
Indianapolis ..... WISH-FM
Terre Haute ..... WVTS

IOWA
Cedar Rapids.... KHAK-FM, WMT-FM
Des Moines ..... KDMI
Waterloo ..... KXEL-FM

KANSAS
Lawrence ..... KANU

KENTUCKY
Lexington ..... WVLK-FM
Owensboro ..... WSTO

LOUISIANA
Monroe ..... KMLB-FM
New Orleans ..... WWMT

MARYLAND
Bethesda (Washington, D. C.) ..... WHFS, WJMD
Towson (Baltimore) ..... WAQE-FM

MASSACHUSETTS
Boston ..... WBCN, WGBH
Lynn ..... WUPY
Waltham ..... WCRB-FM
Worcester ..... WTAG-FM

MICHIGAN
Bay City ..... WNEM-FM
Detroit .. WABX, WDTM, WGPR-FM WLDM, WOMC
East Lansing ..... WSWM
Flint ..... WGMZ
Grand Rapids WJEF-FM, WOOD-FM
Midland ..... WQDC
Mt. Pleasant ..... WCEN-FM

MINNESOTA
Minneapolis ..... KRSI-FM, KWFM, WAYL

MISSOURI
Joplin ..... KSYN
Kansas City .. KCMO-FM, KMBC-FM
St. Louis ..... KCFM, KSHE
Springfield ..... KTXR

NEBRASKA
Omaha ..... KQAL-FM

NEVADA
Las Vegas ..... KORK-FM

NEW HAMPSHIRE
Mt. Washington ..... WMTW-FM

NEW JERSEY
Atlantic City ..... WFPG-FM
Dover ..... WDHA-FM
Long Branch ..... WRLB
Trenton ..... WBUD-FM

NEW MEXICO
Albuquerque ..... KHFM

NEW YORK
Babylon, L. I. ..... WQMF
Buffalo ..... WDCX
Fresh Meadows, L.I. (N.Y.C.) ..... WTFM
Garden City, L. I. ..... WLIR
New York ..... WQXR-FM
Patchogue, L. I. ..... WPAC--FM
Riverhead, L. I. ..... WAPC-FM
Rochester ..... WCMF
Schenectady ..... WGFM
Syracuse ..... WSYR-FM
Utica ..... WUFM

NORTH CAROLINA
Burlington ..... WBBB-FM
Charlotte ..... WBT-FM
Greensboro ..... WMDE, WQMG
Hickory ..... WHKY-FM, WIRC-FM

OHIO
Barberton (Akron) ..... WDBN
Canton ..... WCNO
Cincinnati ..... WKRC-FM
Cleveland ..... WDGO, WNOB WDOK-FM
Columbus ..... WBNS-FM
Findlay ..... WFIN-FM
Kettering ..... WKET-FM
Mansfield ..... WVNO-FM
Middletown ..... WPFB
Port Clinton ..... WRWR
Portsmouth ..... WPAY-FM
Youngstown ..... WBBW-FM

OKLAHOMA
Oklahoma City ..... KFNB, KYFM
Stillwater ..... KOSU-FM
Tulsa ..... KOCW, KRAV

OREGON
Eugene ..... KFMY, KWFS-FM
Portland ..... KGMG, KPFM
Springfield (Eugene) ..... KEED-FM

PENNSYLVANIA
Braddock (Pittsburgh) .... WLOA-FM
Chambersburg ..... WCHA-FM
Harrisburg ..... WPTA-FM
Johnstown ..... WJAC-FM
Philadelphia WFLN-FM, WHAT-FM, WIFI, WQAL
Pittsburgh ..... WKJF
Wilkes-Barre ..... WYZZ

RHODE ISLAND
Providence ..... WPFM, WXCN

SOUTH CAROLINA
Beaufort ..... WBEU-FM
North Charleston ..... WKTM
Spartanburg ..... WSPA-FM

TENNESSEE
Kingsport ..... WKPT-FM
Nashville .... WNFO-FM, WSIX-FM
Sevierville ..... WSEV-FM
Tullahoma ..... WJIG-FM

TEXAS
Amarillo ..... KCHO
Austin ..... KTBC-FM
Beaumont ..... KHGM
Corpus Christi ..... KTOD-FM
Dallas ..... KIXL-FM, KVIL-FM
Ft. Worth .... KXOL-FM, WBAP-FM
Gainesville ..... KGAF-FM
Houston ..... KFMK, KODA-FM, KQUE, KRBE, KXYZ-FM
Port Arthur ..... KFMP
San Antonio ..... KEEZ
Wichita Falls ..... KNTO

STATIONS BROADCASTING IN FM STEREO (Continued)

UTAH
Salt Lake City ..... KSL-FM

VIRGINIA
Martinsville ..... WMVA-FM
Norfolk ..... WTAR-FM, WYFI
Richmond ..... WFMV
Roanoke ..... WSLS-FM

WASHINGTON
Seattle ..... KETO-FM, KGMJ, KISW, KLSN, KZAM
Tacoma ..... KLAY-FM

WEST VIRGINIA
Charleston ..... WKNA
Martinsburg ..... WEPM-FM

WISCONSIN
Kenosha ..... WAXO
Madison ..... WHA-FM, WISM-FM, WMFM
Milwaukee ..... WFMR, WMKE, WTMJ-FM
West Bend ..... WBKV-FM

PUERTO RICO
Rio Piedras ..... WFID

CANADA
Kamloops ..... CFFM
Montreal ..... CFCF-FM, CKVL-FM
Ottawa ..... CFRA-FM
Quebec ..... CHRC-FM
Toronto ..... CFRB-FM, CHFI-FM
Vancouver ..... CHQM-FM
Winnipeg ..... CKY-FM

STATIONS PLANNING FOR STEREO BROADCASTING

ALABAMA
Huntsville ..... WAHR
Mobile ..... WKRG-FM

ARIZONA
Tucson ..... KSOM

CALIFORNIA
Los Angeles ..... KBMS, KNX-FM
Oceanside ..... KUDE-FM
Sacramento ..... KFBK-FM
San Bernardino ..... KRCS
San Diego ..... KBBW
San Francisco ..... KAFE, KCBS-FM, KEAR, KXKX
Santa Barbara ..... KDB-FM
Thousand Oaks ..... KNJO
Woodland ..... KATT

COLORADO
Boulder ..... KRNW
Denver ..... KFML-FM
Manitou Springs ..... KCMS-FM

CONNECTICUT
Hartford ..... WCCC-FM

DELAWARE
Wilmington ..... WDEL-FM

FLORIDA
Cocoa Beach ..... WXBR
Gainesville ..... KRUF-FM
Miami ..... WMIE-FM
Palm Beach ..... WQXT-FM
Winter Haven ..... WINT-FM

GEORGIA
Columbus ..... WRBL-FM

IDAHO
Boise ..... KBOI-FM

ILLINOIS
Champaign ..... WLRW
Decatur ..... WSOY-FM
Mattoon ..... WLBH-FM
Waukegan ..... WEFA

INDIANA
Richmond ..... WKBV-FM

KANSAS
Wichita ..... KCMB-FM, KWBB-FM

KENTUCKY
Louisville ..... WLVL
Prestonsburg ..... WDOC-FM

MAINE
Caribou ..... WFST-FM

MICHIGAN
Detroit ..... WBFG
Interlochen ..... WIAA
Lansing ..... WMRT-FM

MISSOURI
St. Joseph ..... KUSN-FM
St. Louis ..... KADI, KMOX-FM, KWIX

NEVADA
Las Vegas ..... KLUC-FM

NEW JERSEY
Paterson ..... WPAT-FM
Trenton ..... WTTM-FM

NEW MEXICO
Los Alamos ..... KRSN-FM

NEW YORK
Buffalo ..... WADB, WYSL-FM
New York ..... WABC-FM, WYNC-FM

OHIO
Cincinnati ..... WAEF-FM
Cleveland Heights ..... WCUY
Columbus ..... WMNI-FM
Dover ..... WJER-FM
Springfield ..... WBLY-FM
Toledo ..... WTOL-FM

PENNSYLVANIA
Hanover ..... WHVR-FM
Philadelphia ..... WDVR
Pittsburgh ..... WWSW-FM
Warren ..... WRRN

SOUTH CAROLINA
Columbia ..... WCOS-FM
Seneca ..... WSNW-FM

TENNESSEE
Camden ..... WFWL-FM
Greenville ..... WGRV-FM
Johnson City ..... WJCW-FM
Lebanon ..... WCOR-FM
McKenzie ..... WKTA

TEXAS
Dallas ..... KRLD-FM, KSFM
Gainesville ..... KGAF-FM
Lubbock ..... KBFM
Midland ..... KNFM
San Antonio ..... WOAI-FM

VIRGINIA
Richmond ..... WCOD

WASHINGTON
Bellingham ..... KGMI-FM
Seattle ..... KGFM

WISCONSIN
Eau Claire ..... WIAL
Green Bay ..... WBAY-FM
Kenosha ..... WLIP-FM
Wausau ..... WSAU-FM

WYOMING
Cheyenne ..... KVWO-FM

PUERTO RICO
Aquadilla ..... WABA-FM
Isabella ..... WISA-FM

TV-RADIO PRODUCTION: EIA statistics for week ended May 10 (19th week of 1963)

	May 4-10	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV	118,364	134,716	126,412	2,538,152	2,450,219
Total radio	322,782	327,779	378,179	6,143,711	6,834,111
Auto radio	128,254	134,704	132,301	2,791,042	2,387,770

PHILCO & RCA (cont.): Highlights of new consumer electronics lines introduced last week by RCA & Philco (see also p. 8):

Color: RCA's color line, largest ever, contains 21 models, with more dollar-for-dollar value than last year. Bottom of line still is $495, but this year it's wood-grained metal consolette (not table model), roughly equivalent to last year's $525 model and leading to speculation that black metal table model might be dropped in later at low promotional price. Lowest-priced color remote is now $595 (vs. $750 last year), cheapest all-wood cabinet set $549.95 (vs. $595), with color combos starting at $895 (vs. $995) and running up to $1,700. All sets use new RCA color chassis (Vol. 3:10 p7).

Philco's color line, produced in own factory for first time, is lengthened to 14 models from last year's 8. New price leader is hardboard-cabinet table model at $495, and line is topped by "under-$1,000" combo.

Black-&-white: Philco's prices & styling are news, with everything (including redesigned Town & Country 19-in. sets) down about $10, where direct comparison is possible. Philco's flexible curtainwood doors are employed on sets selling as low as $269.95. Two promotional consoles feature opaque-finished cabinets—in black hitchcock design & green Pennsylvania Dutch (complete with hex signs)—at $299.95. Philco's 23-in. line begins with hardboard-cabinet table model at $179.95 (vs. metal set last year at $199.95). One model is available with tea-cart accessory. Combo prices are lower, too, starting with TV-phono at $329.95; lowest-priced TV-radio-phono is $399 (vs. $499 last year). Top of combo line is $645, with woven walnut speaker grille, well under last year's top-of-line price of $829.

RCA's black-&-white line now has 27 basic models, much of it priced comparatively with last year. Lowest-priced remote control 23-in. table model is now $259.95, some $10 below last year's point; compact consolettes start at $219.95 ($20 less than year ago). Combos with radio start at $399.95 (vs. $495), with first FM-stereo combo at $425. Top-of-line b&w combo is now $550 (vs. $650).

Stereo: Portable stereo begins at $69.95 with drop-down changer in both Philco & RCA lines, and both lines feature tape input & output jacks extensively in stereo units to take advantage of recording possibilities inherent in FM stereo. Philco's stereo consoles start at $129.95, RCA's at $149.95. Philco features 2 unique cabinet styles for stereo—one convertible to either desk or bench by changing legs ($299.95), the other in form of secretary desk.

Radio: RCA's new FM-stereo table model uses twin units; Philco's has detachable speakers. Both transistor radio lines begin with 6-transistor sets at $14.95 (Philco's is gift-packed), and both lines are believed to include imports. RCA introduced first FM-AM-SW set (11 transistor), at $89.95—this is the German-made unit mentioned by Group Exec. vp W. Walter Watts at recent stockholders meeting (Vol. 3:19 p10). Philco line features 9-transistor AM-FM at $49.95; RCA has added new FM-AM clock radio at $59.95, replacing former one at $79.95. RCA has "spice chest" radio which can be hung on wall.

Among other new features: Philco's new "high-gain" picture tube, said to reduce tube & set failures; RCA's new FM-AM tuner for all stereo merchandise.

Japanese TV exports to U.S. during first quarter 1963 totaled 87,836 sets, more than 4½% of U.S. TV production for same period and 8 times as many as the 11,039 exported to U.S. in first quarter 1962. Here's breakdown (last year's figures in parentheses): 21-in. & over, 4,767 (2); under 21-in., 46,033 (7,070); transistorized, 37,036 (3,976). Multi-transistor radio shipments also showed increase during same period: 3 or more transistors, 1,537,997 (1,285,253); tube radios, 212,071 (376,378); others including "toy" radios, 556,654 (896,108).

Customs Bureau backed down, reportedly on its strict policy of assigning relatively high base prices on imported Japanese radios (Vol. 2:49 p10). Customs had been applying duty on basis of $6.30 for "Class C" (lowest-performance transistor radios on Japanese rating scale) radios, $6.80 on Class B radios and $7.30 on Class A. Base valuation on Class C sets has been reduced to $5, on Class B to $5.50 and on Class A radios to Japanese invoice prices. Reduction in Class C base means duty saving of 16¢ per set to importers of low-price radios in this class.

Color sales & production statistics will not be compiled by EIA in forseeable future, as result of change in RCA's plans. Company had agreed last March to supply its own color statistics to industry pool beginning next July. However, it's understood RCA has now decided to wait for completion of reorganization of EIA Marketing Services Dept. before making final decision. Under EIA rules, no company which makes more than 50% of industry total of any single product need report data on that product.

FM-stereo facilities were built into virtually 50% or 205,217 of 411,252 combination receivers produced in 1963's first quarter. Of 62,816 TV-radio combos produced, 24,465 had FM-stereo, EIA reported. Of 348,436 radio-phono combos, 180,752 were FM-stereo equipped. For total 1962, nearly 46% or 767,539 of 1,677,385 combos produced featured FM-stereo.

3M-Revere tape cartridge recorder (Vol. 3:18 p8) will be sold in Chicago area initially by 16 retail outlets, including Marshall Field & Co.'s main store & 2 suburban stores, Lyon & Healy Music Co.'s 7 stores, Musicraft and Gill Custom House in Chicago, plus stores in Highland Park, Park Ridge and La Grange.

Japan's TV manufacturers plan this year to establish voluntary ceiling on exports to U.S. EIA of Japan exec. dir. Hiromi Kono said outlook is for initial quota of 10% of U.S. production. Total Japanese TV shipments to U.S. this year, he said, will rise to about 300,000 from 150,000 sets last year.

Oak Mfg.'s McCoy Electronics subsidiary is building adjacent to its Mt. Holly Springs, Pa. hq a $500,000, 50,000-sq. ft. plant which will more than triple production capacity for quartz crystals, filters & frequency control units. Addition is slated for completion in Oct.

Ohio's Fair Trade Act was declared unconstitutional by 4-3 vote of State Supreme Court—but Act still stands. Under Ohio law, appellate decision can be upset only with approval of 6 of 7 Supreme Court justices. Appellate Court of Northern Ohio had upheld Act.

Admiral's 5-year warranty on etched circuit boards (Vol. 3:19 p7) covers circuit boards only, no other parts. Our warranty roundup last week was not properly explicit on this point.

Sylvania will begin recall this fall of workers to resume production of color TV tubes, suspended in 1957.

FIRST-QUARTER SALES: EIA's official report on first-quarter performance of home electronic products is strictly up & down. Monochrome TV moved ahead of year-ago's distributor sales by more than 73,600 units, but production increased less than 50,000. Radio sales dropped more than 290,000 units, and manufacturers cut back on output by nearly 439,000 units. Phonographs continued making merry 1963 music with sales gain of 134,000 units over 1962's first quarter.

Distributor sales of b&w TV gained some 20,000 units in March over March 1962, pushed quarterly total to 1.64 million units from year-earlier's 1.57 million. Production picture shows all-channel sets continuing to account for increasing share of total output. March's all-channel production jumped markedly to 76,481 from March-1962's 48,323. For first quarter, all-channel output ran more than 40% ahead of year-ago.

March radio sales by distributors to dealers dropped nearly 100,000 units from March 1962. First-quarter total dipped to 1.9 million from 2.2 million. FM radio production, which had dropped in Feb. from year-ago month, came about in March and went ahead of March 1962's output by nearly 25%. Quarterly output of FM radio also ran ahead.

Distributor's March phono sales continued year's upbeat pattern. Sales rose nearly 47,000 units from March 1962, and first-quarter volume rose to 992,649 from 1962's Jan.-March volume of 758,405.

Here are EIA's official figures:

TV-RADIO DISTRIBUTOR SALES

	Black-&-White TV		Radio (excl. auto)	
Month	1963	1962	1963	1962
January	503,821	465,836	453,348	562,869
February	535,999	521,275	616,036	697,893
March	601,797	580,876	818,510	917,236
TOTAL	1,641,617	1,567,987	1,887,894	2,177,998

BLACK-&-WHITE TELEVISION PRODUCTION

	Total		All-Channel	
Month	1963	1962	1963	1962
January	484,415	488,869	58,032	39,609
February	557,931	541,494	63,713	46,715
March	696,435	659,251	76,481	48,323
TOTAL	1,738,781	1,689,614	198,226	134,647

RADIO PRODUCTION

	Total		Auto Radio		FM	
Month	1963	1962	1963	1962	1963	1962
January	1,229,507	1,350,630	657,691	530,589	87,641	76,510
February	1,389,652	1,464,797	657,691	480,232	75,544	84,216
March	1,568,381	1,810,417	677,613	607,510	100,940	81,010
TOTAL	4,187,540	4,625,844	1,929,809	1,618,331	264,125	241,736

PHONO DISTRIBUTOR SALES

	1963			1962		
Month	Mono	Stereo	Total	Mono	Stereo	Total
January	81,046	235,479	316,525	48,423	171,305	219,728
February	73,424	256,548	329,972	50,563	188,857	239,420
March	78,922	267,230	346,152	63,206	236,051	299,257
TOTAL	233,392	759,257	992,649	162,192	596,213	758,405

PHONO FACTORY SALES

	1963			1962		
Month	Mono	Stereo	Total	Mono	Stereo	Total
January	83,638	258,058	341,694	68,545	191,014	259,559
February	77,971	262,304	339,275	52,566	202,846	255,412
March	92,871	236,842	329,713	60,991	237,492	298,483
TOTAL	254,480	757,204	1,011,684	182,102	631,352	813,454

SIRAGUSA LOOKS AHEAD: Confident picture of consumer durables' near-future was painted last week by Admiral Chmn. Ross D. Siragusa in panel on business outlook at National Industrial Conference Board's annual economic conference in N.Y.

For 1968, he ventured these distributor-to-dealer sales projections: 2.5 million color TV sets, out of total 7 million TVs; 23.5 million radios; 4.2 million stereo instruments; 4.35 million refrigerators; 1.25 million home freezers.

For more immediate future—balance of 1963—Siragusa said he expects good sales volume in consumer durables to continue, and predicted that "sales increases in the consumer electronics-major appliance field will exceed 3-5% rise anticipated in Gross National Product." He estimated industry color TV sales this year at "approximately 700,000 units, or more than 10% of the projected total TV sales of 6.5 million" and pointed out that color's dollar volume "will approximate 25% of the aggregate total because each color set sale is equivalent to about 3 black-&-white TV sales."

TV industry, he said, "has been experiencing a steadily increasing average retail selling price" due to "higher sales of big-ticket color TV and to greater concentration on sales of TV-stereo phono combinations." In phono field, he added, distributor sales of stereo instruments increased 27% in first quarter over same period last year. "By summer, you will see a variety of completely transistorized stereo radio-phonograph combinations at the top of the line."

He expressed opinion that softness in radio market (Vol. 3:17 p10) is "a breather after 2 high-volume years in which total industry sales reached 40 million units."

His optimism for business conditions this year, Siragusa declared, was not due solely to high level of govt. spending, but also: (1) Continued rise in personal income. (2) High level of consumer savings and satisfactory level of debt repayment. (3) Increasing employment. (4) Estimated 1.4 million new home starts.

Two more Motorola distributors have joined Fair Trade parade (Vol. 3:14 p13): Gough Industries, for San Diego & Imperial counties, California; Craig Electronics, 7 southern California counties. Both commence fair trading June 1.

Zenith was honored by National Alliance of TV & Electronic Service Assns. (NATESA) with its "Friend of Independent Service" award, only TV manufacturer to be so honored this year.

Symphonic's new phonograph line is its largest—17 portables, priced from $19.95 to $229.95, and 13 consoles, $99.99 to $339.95. Four top-end portables feature drop-down changers.

Davega Stores' assets, trademarks & name have been purchased for $311,100 by Henry Modell Co., N.Y. operator of 4 sporting goods stores (Vol. 3:19 p11).

Reports & comments: CBS, special report, A. M. Kidder & Co., One Wall St., N.Y. • **"The Electronics Industry,"** discussion, Paine, Webber, Jackson & Curtis, 25 Broad St., N. Y. 4.

Officers & Directors stock transactions as reported to SEC for March:

Allied Artists. Roger W. Hurlock bought 400 in Feb., held 37,400.

Arrow Electronics. Maurice Goldberg bought 100, held 133,086.

Arvin Industries. Edmund Ludlow bought 137, held 3,637. Frank H. Sparks sold 2,500, held 6,250.

Avnet Electronics. Alvin Bennett sold 13,000, held 42,661. Jack Stadler sold 10,500, held 35,785. Lester Avnet exchanged for tangible personal property 33,654 held in trust, held 246; held personally 217,156.

Capital Cities Bcstg. Robert Lipton sold 2,275, held none.

Clarostat Mfg. Irvin Lavine bought 500, held 1,018.

CBS. Frank Stanton sold 20,000, held 145,890.

Decca Records. MCA bought 7,500, held 1,348,015.

Dynamics Corp. of America. R. F. Kelley bought 10,000, held 70,400.

Federal Pacific Electric. Clifford Harris sold 1,100 in Feb., held 30,000.

Globe-Union. R. H. Warner bought 750, held 2,415.

Hallicrafters. Edward Bishop Jr. bought 800, held 4,400. Stanley Rendell bought 1,200, held 4,100.

Lear Siegler. Pierpont Hamilton sold 7,200 in Feb., held 29,521.

Macfadden-Bartell. David Bartell bought 200 in Feb., held 222,238. Gerald Bartell bought 200 in Feb., held 221,072. Lee Bartell bought 200 in Feb., held 221,072. Melvin Bartell bought 100 in Feb., held 100,800.

Magnavox. David Martin sold 100, held 3,204. John Sturgeon sold 500 in Feb., 200 in March, held 12,385.

P. R. Mallory. Boone Cross bought 100, held 100.

MGM. Nathan Cummings bought 7,900, held 62,681.

Metromedia. Richard Geismar bought 2,000 in April, held 2,300.

Muntz TV. Daniel Domin bought 1,000, held 27,008.

National Video. Harold Cole sold 800 Class A, held 100.

Reeves Bcstg. & Development. Harry L. Petersen bought 100, held 2,730.

Reeves Soundcraft. Milton Untermeyer bought 200 in Feb., held 700.

Stewart-Warner. Donald Potter bought 600 in Feb., held 4,356.

Taft Bcstg. Roger Read sold 500, held 353.

TV Industries. Walter Mack sold 500 in Feb., 6,300 in March, held 2,870.

Terminal-Hudson Electronics. Harry Donner sold 1,780, held none.

Texas Instruments. R. W. Olson bought 900, held 11,160.

Thompson Ramo Wooldridge. Charles Ohly sold 500, held 3,790. Dean Wooldridge sold 500 in Feb., 500 in March, held 35,507.

Thompson-Starrett. Herbert Kabat sold 7,000, held 190,365.

Trans-Lux. Harry Brandt bought 500 in Feb., held 115,050.

20th Century-Fox. Adam Gimbel bought 200, held 200.

Webcor. Paul Roth bought 100 in Feb., held 200.

Electronics International Capital Ltd., Bermuda-based investment firm, has obtained stockholder approval to purchase $5 million of Packard Bell Electronics debentures.

Trade Personals

Bert S. Cross elected Minnesota Mining & Mfg. pres. & chief exec. officer, succeeding **Herbert P. Buetow**, who retires as pres. but continues as a dir. and will become finance committee chmn.

John E. Wiegel appointed GE audio products sales mgr., succeeding **Charles J. Fabso.**

Henry E. Hockeimer, Philco Communications & Electronics Div. gen. mgr., elected a vp . . . **Frank R. Wheeler** appointed Philco purchasing dir.

Virgil B. Day, GE vp for management development & employe relations services, will receive 1963 award of International Council of Industrial Editors for "outstanding contributions to communication & better industrial understanding."

Morris J. Feldman, N.Y. Transistor Corp. pres., elected pres. of American Radio Importers Assn. Other elections: vp, **Saul E. Ashkenazi**, Realtone Electronics pres.; secy., **Harold Harris**, Channel Master vp. **David Simon**, Harpers International pres., re-elected treas.

R. C. Lanphier Jr. elected Sangamo Electric engineering & mfg. exec. vp; **Cecil L. Clark**, sales & finance exec. vp . . . **John A. Spencer** elected GE regional vp for N.Y., N.J. & New England states, succeeding **Harold A. Olson**, who retires July 31

J. Keith Hunton named solid state semiconductor devices engineering mgr., Sylvania Microwave Device Div.

Distributor Notes: **Philco Distributors-St. Louis** will service 10 of 12 southern Illinois counties formerly covered by **Merkle Bros. Hardware**, which continues as Philco dealer in Quincy; **Hardware Products**, Philco's Sterling, Ill. distributor, will absorb other 2 counties, plus 6 counties (5 in eastern Iowa, one in Illinois) formerly served by **J. H. Ewinger & Son Distributing**, which continues as Philco dealer in Burlington, Ia. Four other counties formerly served by Ewinger will be absorbed by Philco branches • **Magnavox** names **Richard J. Guilfoyle** zone mgr. for New England states, headquartering in Boston • **Motorola** appoints **Braid Electric**, Nashville, Ben S. Gambill pres., distributor for Chattanooga area, replacing **Harwell Distributing** • **William E. Goetze** appointed pres. of RCA distributor **A. H. Meyer Co.**, San Francisco, succeeding **A. H. Meyer** who becomes chmn. • **Philco** Consumer Products Div. appoints **Frank Bonner** eastern regional mgr. He had been gen. mgr. of Philco Distributors' Washington-Baltimore Div., which is now split into Washington Div. (**Wally McGregor** gen. mgr.) & Baltimore Div. (**Irv Fulton** gen. mgr.) • **Motorola's** Sioux City, Ia. distributor, **Jones Distributing Co.**, adds most of South Dakota territory, succeeding **McKenzie Distributors.**

Capital Cities Bcstg. has filed SEC registration statement (File 2-21412) for 250,000 shares of common, 114,003 of which are currently outstanding & will be publicly offered via underwriters headed by White, Weld & Co. Sellers of the outstanding shares are Lowell Thomas (offering 64,000 of 116,767 shares held) & Chase Fund of Boston, disposing of its 50,000-share holdings. Remaining shares will be offered after exercise of outstanding warrants.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Andrea Radio	1963—qtr. to Mar. 31	$ 944,493	—	$ (6,208)	—	254,136
	1962—qtr. to Mar. 31	1,455,312	—	87,185	$0.34	254,136
Chris-Craft (formerly NAFI)	1963—qtr. to Mar. 31	17,468,186	$ 315,449	290,449	.21	1,376,672
	1962—qtr. to Mar. 31	17,803,252	859,240	469,240	.34	1,376,672
EICO Electronic	1963—6 mo. to Mar. 31	4,550,023	—	87,450	.14	607,143
	1962—6 mo. to Mar. 31	4,896,800	—	174,992	.29	607,143
Gabriel	1963—qtr. to Mar. 31	7,390,000	—	107,519	.15	737,113
	1962—qtr. to Mar. 31	7,529,828	—	222,735	.30	737,113
Gulton Industries	1963—year to Feb. 28	30,044,860	2,869,241	1,409,241	1.24	1,138,992
	1962—year to Feb. 28	24,400,687	2,089,415	1,039,415	.92	1,129,810
Jerrold	1963—year to Feb. 28	24,816,000[7]	—	735,967[7]	.36	1,999,682
	1962—year to Feb. 28	18,002,000	—	597,234	.29	1,884,569
Litton Industries	1963—9 mo to Apr. 30[1]	402,000,000	—	17,000,000	1.67	10,143,000
	1962—9 mo. to Apr. 30	274,508,000	—	11,646,000	1.17	9,869,895
MCA[2]	1963—qtr. to Mar. 31	—	—	3,157,796	.63	4,519,603
	1962—qtr. to Mar. 31	—	—	4,203,841[3]	1.04[3]	4,040,735
Paramount Pictures	1963—qtr. to Mar. 31	—	—	275,000[5]	.17[5]	1,681,681
	1962—qtr. to Mar. 31	—	—	1,129,000	.67	1,684,481
Howard W. Sams	1963—9 mo. to Mar. 31	10,655,270[7]	—	760,904	1.41	536,225
	1962—9 mo. to Mar. 31	9,925,698	—	674,949	1.26	530,383
Sangamo Electric	1963—qtr. to Mar. 31	13,387,000	204,000	148,000	.09	1,637,617
	1962—qtr. to Mar. 31	10,615,000	(1,222,000)	(546,000)	—	1,637,161
Silicon Transistor	1962—year to Dec. 31	2,898,311	546,558	163,962[4]	.31	533,958
	1961—year to Dec. 31	1,682,382	62,992	36,008	.07	516,250
Transitron Electronic	1963—13 wks. to Mar. 30	6,211,161	—	(663,023)[5]	—	7,503,368
	1962—13 wks. to Mar. 30	6,033,624	—	(297,101)[6]	—	7,503,368

Notes: [1] Estimated. [2] Includes on "pooling of interests" basis MCA's interest in Decca Records' consolidated net income. [3] Includes non-recurring income equal to 46¢ a share. [4] After $117,204 (22¢) in special charges. [5] After $725,000 tax credit. [6] After $315,000 tax credit. [7] Record. [8] Before investment profit of $445,000 (28¢).

"William S. Paley & Frank Stanton provide smooth direction to world's largest advertising medium," declared May 15 *Financial World* in front-cover story, "CBS Rings the Bell." Although CBS doesn't publish divisional earnings, analysis noted, "it's estimated that about 85% of the company's profits comes from TV & most of the remainder from the Record Div. Radio is probably a small factor in the profit picture at the moment as earnings from the CBS-owned radio stations, in large measure, are offset by losses on the radio network." Among numerous accolades: "CBS also has the management talent & strong finances to eye new avenues of diversification within the broad boundaries of the entertainment & educational fields."

GT&E's first-quarter earnings rose 21% to record $22,060,000 from $18,162,000 a year earlier. Sylvania Pres. Gene K. Beare said color TV "will be a big boost" to Sylvania, noted production of color tubes will begin later this year. Item in this space last week (Vol. 3:19 p11) erroneously identified earnings as Sylvania's and was indefinite with regard to Sylvania's color tube plans. We regret the error.

Metromedia has purchased for $5 million cash Ice Capades Inc. & affiliate International Ice Attractions. John H. Harris continues as producer of the 2 companies, which will function as Metromedia subsidiaries. Metromedia also bought WCBM-AM-FM Baltimore for more than $2 million cash.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
AT&T	Q	$0.90	July 1	May 31
Federal Pacific Elec.	Q	.32	June 4	May 21
GPE	Q	.30	June 15	May 27
Hazeltine	Q	.20	June 14	May 31
Minnesota Mining	Q	.22½	June 12	May 24
Thompson Ramo Woold.	Q	.35	June 15	May 24

Outlet Co.'s broadcast operations produced $900,259 of fiscal-1963's $1,013,593 operating profit (Vol. 3:15 p12). Earnings in fiscal-1964's first quarter, ended April 30, dropped $239,074 from a year ago, but Pres. Joseph S. Sinclair said "we hope to wind up fiscal 1964 with earnings as good or possibly better than in" fiscal 1963.

Metromedia expects 1963 earnings to climb to "about $2 a common share" from 1962's $1.40 on a sales gain to "about $55 million" from $53.1 million. Chmn.-Pres. John W. Kluge said all operating facilities are in the black & running ahead of previous estimates. (For first-quarter report, see Vol. 3:16 p12.)

Famous Players Canadian operating profit in 1963's opening quarter rose at least 7% from year-ago's $611,711, 35¢ a share, vp R. W. Bolstad reported. He noted that Famous Players is negotiating to buy into a number of CATV systems, said all TV stations in which company has interest "did better" in March quarter than year ago.

WEEKLY **Television Digest**
with
Consumer Electronics . . . (starts page 7)

MAY 27, 1963 NEW SERIES VOL. 3, No. 21

NAB LIBRARY

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

NEW FCC CHAIRMAN OFF & RUNNING, fast shouldering full load, says mail running '100-to-1' favorably, looks toward major decisions, has some ideas jelling (p. 1).

HARRIS LIKES NAB'S RATINGS PROPOSAL: Pres. Collins shows reform plan to Subcommittee—including criteria & standards, Rating Audit Service, methods research. Harris reservation: Will industry cooperate to make plan reality? (p. 2).

COURT AFFIRMS FCC POWER OVER CATV MICROWAVE, unanimously holding in Carter Mt. case that Commission can impose conditions to protect stations economically (p. 4).

FCC STILL HIPPED ON 'LOCAL-LIVE', queries 5 New England stations on plans for all segments of day, not only 6-11 p.m. Hyde & Lee dissent, former decries efforts to 'influence program selection' (p. 4).

NAB QUESTIONS CODE commercial limitations, Swezey urging considerations of 'quality,' says FCC shouldn't compound NAB's 'error' (p. 5).

SARNOFF ON ETV GOALS: NBC chmn. sees 'unique opportunities' in special interest programming, experimentation, instructional TV to assist overburdened educational system. NET's White says ETV future is not dependent on N.Y. (p. 5).

SALANT EXTOLLS TV NEWS: CBS News pres. points to Roper, Steiner studies showing impact, believability of TV journalism (p. 5).

ANA PROBES TV VALUES at spring meeting in N.Y., hears research reports which show that commercials buried in 'clutter' are less effective than those in 'clean' positions. (p. 6).

Consumer Electronics

COLOR PRICE BREAK resounds through industry as Admiral shows table model at $399.95, remote-control version at $429.95, console at $495. Zenith cuts several color models $50, brings out 16-in. & 19-in. at $10 & $20 below predecessors; Admiral confirms forthcoming 11-in. at under $100 (p. 7). Other new sets (p. 9).

FAIR TRADE DISTRIBUTOR MEANS BUSINESS: Motorola-Chicago takes prompt legal action against 2 dealers who sell below stated prices; 90% of distributor's dealers have signed individual fair trade contracts. (p. 7).

'HI-FI' DEFINITION still many months off, but FTC currently leans toward sliding-scale method; Commission invites industry members to submit ideas, insists disagreement won't block eventual ruling (p. 8).

FIRST-QUARTER TUBE SALES: Factory sales of TV picture tubes slipped to 2.3 million units from year-earlier's 2.4 million; dollar value dropped more than $2 million to $43.1 million. Receiving tube sales, EIA reports, plunged more than 8.8 million units to 83.7 million; dollar value fell $7.9 million to $70.5 million (p. 10).

MAJ. ARMSTRONG'S VINDICATION nearly complete, with settlement on FM-TV patents attained in 19 out of 21 cases; Motorola & Philco are last holdouts (p. 11).

NEW FCC CHAIRMAN OFF & RUNNING: FCC's E. William Henry, who becomes chairman June 1, is beginning to feel full load of job, apparently enjoys it. "As soon as people quit trying to psychoanalyze me, I'll be able to get some work done." He's deluged with mail, interviews, speech invitations. He's trying to answer the mail, grants the interviews—but has accepted only one speech date: Sept. 24, International Radio & TV Society, N.Y., doesn't expect to give any before then. (Our prediction: He won't be able to hold out that long.)

Henry tells us mail is running "100-to-1 favorably." "Usually," he says, "they say that Minow has done a wonderful job and I sound as if I'll do the same." Any such from broadcasters? we asked. "Usually, they send congratulations and wish me well."

Henry is accustomed to hard work, long hours, takes increased load in stride. His age, 34, helps. "Sen. Pastore," he said, "told me he was governor of Rhode Island when he was 37—but that he wouldn't want to handle that grueling job now."

New chairman has been interviewed so thoroughly that there are few subjects he hasn't discussed. He certainly isn't afraid to take a stand—though he readily admits he has at times failed to elaborate on controversial matters, leaving unintended impressions.

Take for example his comment that sustaining time may serve as a yardstick of station perform-

ance (Vol. 3:20 p1). "What I meant was this," he said. "In its network inquiry, FCC found that networks often offered unsold public service programs to affiliates—but that affiliates frequently rejected these in favor of some 'Krazy Kat' thing that they could sell. I think there may be more public demand for the public service programs than stations realize."

Henry had hoped to issue his report on Omaha local-live hearing about now—but events of last 2 weeks may delay it until late summer. He wouldn't speculate about conclusions—except to say he expects Commission to take more liberal view of "local live" definition.

Henry is extremely interested in new TV program form, up for discussion this week (Vol. 3:20 p5). "It will be extremely important," he said, "but not a panacea. It will save a lot of letter writing. It will help clarify the FCC's position on programming. It will be helpful to the industry. But, the more I think of it, the more I think we'll have to adopt a spot check system—a fine tooth comb—like the Internal Revenue Service. Talk about staff! We'll get mountains of material—impossible to study carefully."

Lot of big subjects are on tap this week—Commission planning to meet 3 days in row, May 27-29, on option time, vhf drop-ins, CBS compensation plan, program form, etc. Apparently, Minow wants to get in on these big ones before he leaves—June 1, definitely, he announced, even though Lee Loevinger's Senate confirmation hearing is June 4. Minow's colleagues give him farewell party at FCC May 29.

Henry has some ideas on FCC procedures, hasn't firmed them up, won't disclose them until he gives concepts to colleagues. However, he said he thinks Commission might be wise to meet more frequently than it does now (regularly Wed., plus irregular special sessions).

HARRIS LIKES NAB RATING PROPOSAL: NAB's ambitious 3-point plan for ratings reform was removed from drawing board last week, shown to Harris Subcommittee. Legislators praised undertaking, expressed some reservations, said they hoped broadcast industry would make plan reality.

NAB Pres. Collins, who appeared with Group W Pres. McGannon (NAB research committee chmn.) & Melvin Goldberg, NAB research vp, said assn.'s objective is to secure "audience measurement services that are valid, reliable, effective and economically viable"—"without govt. control." Here's the NAB Industry Research Plan:

(1) "Rating Council" will establish "minimum criteria and minimum standards for rating services," establish & administer system of accreditation. Council will be composed of NAB representatives, RAB-TvB presidents (or their designees), plus "liaison" representatives from AAAA & ANA.

(2) Rating Audit Service—formerly referred to as Broadcast Audit Service (Vol. 3:18 p4)—will be organized by Rating Council subcommittee, directed by professional management, financed by rating services & "users." RAS will provide for auditing of methodologies & implementation procedures. RAS audit reports will be made to Council on regular basis. Raters who don't comply with minimum criteria & standards will be given chance for "remedial action;" if none is taken, accreditation will be rescinded. First RAS step will be to obtain, through questionnaire, present methods & operations of each rating company to serve as base in determining performance.

(3) NAB research committee will start "immediately" a continuing program of methodological research to seek improvements in techniques. Research will be split into 4 parts—local radio, local TV, national radio, national TV—supervised by subcommittees. NAB reported that TV networks have started, in cooperation with NAB, to research improvements in measuring national TV audiences. Special attention will be given to serious problems of local radio measurements affected by out-of-home & portable listening.

McGannon told of Collins' long-standing determination to overhaul broadcast research, conceded NAB plan is a "most ambitious undertaking," said it was necessary in order to be "responsive to the attitude and spirit of this Subcommittee."

Some specifics of plan were filled in by McGannon. Under criteria & standards, there'll be 2 broad categories: (1) Ethical standards on rating service implementation. (2) Statistical communications research standards to be evaluated by broadcast, academic & applied researchers.

Whether audit & accreditation would be performed by independent 3rd party (e.g., an accounting firm) or by a new organization, is under study, along with costs & frequency, McGannon said.

On methodology research into 4 basic broadcast areas, McGannon emphasized that the "most difficult area is that involving local radio." It has all the problems of local TV in sample size & reporting, plus difficulties in changing nature of mobile medium. Research vp Goldberg told us he's tackling job as though broadcast research were new area, is starting from ground up, has checked with electronics firms on new developments in instruments.

Legal issues of reform plan have been checked out by Douglas Anello, NAB gen. counsel, and Judge Bruce Bromley, of Cravath, Swaine & Moore. Justice Dept. approval will be sought.

Harris appears to be solidly behind NAB's effort, will watch closely industry cooperation & NAB's ability to get project off the ground. He's interested, too, in what Madison Avenue thinks of plan; if it scoffs, he may ask some ad leaders to come to Washington and tell why.

Harris is also mindful that any federal moves—FTC trade practice rules, Census Bureau ratings, FCC action—could be more difficult to implement than industry plans.

NAB reported it has approval of plan from ARB, Nielsen & Pulse, though Nielsen suggested it would like another look at implementation planning. Other researchers will be contacted shortly. Collins said Rating Council will set date, "hopefully within 60 days," for receiving applications for accreditation.

About 30 of 45 members of NAB radio & TV boards telegrammed approval last week, with 3 expressing reservations. Telegram containing doubts of Robert Pauley, ABC Radio pres., was used for questioning by Robert Richardson, Subcommittee staff attorney. Pauley wanted to know what NAB was going to do about the permanent sample method. Goldberg said he agreed with Census Bureau (Vol. 3:20 p4) that the method has problems, said he believed sample would have to change with population. Pauley also said that audits should be made without prior notice, and he questioned whether rating companies would be willing to pay for audits. "They didn't disagree violently" when advised they would have to share costs, said Goldberg.

AAAA & ANA have also pledged support, said McGannon, although ANA expressed doubts about tri-partite approach.

Subcommittee reservations: Whether this effort will succeed where compliance with Codes has been less than perfect; whether rater that doesn't seek accreditation (or loses it) will still be able to sell its numbers; whether NAB plan should be conducted by outside group (such as Stanford or Columbia).

Harris asked Collins for progress reports whenever NAB "did something." He also said that within a reasonable time he would expect complete report, perhaps in open hearing.

Large unanswered question last week: What's happening between NAB & RAB over latter's All-Radio Methodology Study, and its request that NAB put up $75,000 of needed $200,000? Based on emphasis made on local radio needs in Collins-McGannon testimony—and statements by those close to RAB —it appears that they're going separate ways. NAB board will weigh it at June 24 meeting.

RAB's plan calls for evaluation of research methods to measure more accurately radio's total sets-in-use, not ratings per se. Its methodology study would then be turned over to rating company—perhaps a new one—to sell method to industry. NAB's plan is vastly more comprehensive—covering long-term auditing, accreditation, methodological studies for TV & radio.

Newton Minow, outgoing FCC chmn., could have testified this week, but passed it up, believing task belonged to incoming Chmn. Henry, who may get Subcommittee call in 1-2 weeks. To names of reps who will appear (Vol. 3:20 p3)—if & when Subcommittee decides to call them—add Ward Dorrell, Blair research vp. Plan to call FTC Chmn. Dixon appears to have been dropped.

Leonard Goldenson, AB-PT pres., told stockholder meeting that the Harris Subcommittee "has done a great service to the industry [and] we feel we should operate through the NAB in exploring improvements in ratings. He said ABC Radio Pres. Robert Pauley has come up with new audience measurement method—but declined to elaborate.

COURT AFFIRMS FCC POWER OVER CATV MICROWAVE: FCC & telecasters won significant decision against CATV in Court of Appeals last week. Unanimously, Court held that Commission can refuse to authorize construction of a microwave system to serve CATV systems—if FCC believes result would be to hurt a TV station seriously. With Judges Bazelon, Miller & Washington representing both liberal & conservative branches of Court, chances of reversal are very slim. However, loser may seek Supreme Court review.

Decision came in famous "Carter Mountain" case, in which FCC declined to grant microwave facilities to serve CATVs in Riverton, Lander & Thermopolis, Wyo.—after protest had been filed by KWRB-TV Riverton. In denying the microwave, Commission had told Carter Mountain Transmission Corp. it could file again—if it could show that the CATVs would carry KWRB-TV's signal and wouldn't duplicate its programs with those relayed from other stations.

Court denied Carter Mountain's claims all down the line. It said FCC isn't required to "apply classic common carrier criteria." Rather, it said, FCC "was entitled—if indeed it was not obliged—to consider the use to which the facilities & frequencies requested were to be put, and to weigh that use as against other legally relevant factors, including the effect on existing local stations." Court asserted that the CATVs aren't entitled to common carrier service "as a matter of law"; that FCC isn't going beyond its legal powers and taking over regulation of CATVs; that Commission isn't engaging in "censorship."

Court accepted FCC's conclusion that microwave service to CATVs would probably kill off KWRB-TV. With such service, Court said, KWRB-TV would lose audience and "its survival would be seriously jeopardized." Furthermore, according to Court, demise of station would mean loss of local programs, loss of free TV, and loss of all TV in rural areas which cable doesn't reach.

Decision undoubtedly strengthens FCC's hand in negotiating with CATV operators regarding legislation. Also, it may be assumed that any telecaster who believes microwaves serving CATVs can hurt him will rely on decision to invoke FCC protection. NAB sources were cheered by decision—though they see some unwanted extensions of FCC powers over broadcasters too. Meanwhile, meeting of NCTA & FCC representatives—on legislation—is expected to be postponed from May 28 to June 3.

FCC STILL HIPPED ON 'LOCAL-LIVE': So-called "6-to-11" issue—amount of local-live material telecast 6-11 p.m. (Vol. 3:11 p3)—came to head again last week. Five New England stations' renewals were pending, and question before FCC was whether they're carrying enough local-live.

Comr. Ford came up with a letter Commission accepted—Hyde & Lee dissenting. It's much in line with FCC's 1960 program-policy statement. Letter asks station to give: (1) Narrative description of how it determines needs for local-live. (2) How station believes such needs should be filled in all segments of day—not only 6-11 p.m. (3) Description of local-live programs carried during last 12 months, and whether they pre-empted other programs. (4) Plans for fulfilling local-live needs in next renewal period.

Comr. Hyde described each station's proposals, as shown in pending applications, concluded:

"I find no justificaiton for further delay & inquiry concerning the applications of these stations. There is no question as to the power of the Commission to request information, but this authority should not be invoked to needlessly burden applications & FCC processes. Moreover, I think this authority should not be used to influence program selection."

Stations queried: WAGM-TV Presque Isle, Me.; WCSH-TV Portland, Me.; WHYN-TV Springfield, Mass.; WLBZ-TV Bangor, Me.; WNHC-TV New Haven, Conn.

Investment in legitimate theatre will be made by AB-PT for first time this fall—in 3 Broadway musicals to be produced by On-Stage Productions, owned by Lester Osterman & Jule Styne. Cast album rights will go to ABC-Paramount Records. Shows: "A Girl to Remember" with Carol Burnett, opens Nov. 23; "The Ghost Goes West," Styne musical of film; "Mrs. A," Richard Aldrich book about his wife, Gertrude Lawrence, with Cole Porter music.

Local TV movie "specials" took another step last week with signing of 15-market licensing deal between Drewrys Ltd. (beer) and MGM-TV, covering 3 post-1948 features which Drewrys will sponsor. Agreement is first to be made directly between a feature distributor & a major TV client and follows pattern of old-line syndication "regional deals" such as Ballantine's purchase of *Highway Patrol*. Movies will be slotted on holiday weekends this summer.

NAB QUESTIONS CODE: FCC's proposal to put teeth into NAB Codes' commercial limits by giving them force of law (Vol. 3:20 p6) got severe kick last week—when NAB in a sense disowned Codes.

Code Authority Dir. Robert D. Swezey said it's time to get away from strict time limitations and adopt "more intelligent" approach of considering quality instead of quantity.

Swezey told Pennsylvania Assn. of Bcstrs.: "I am sure . . . we are barking up the wrong tree in placing our Code emphasis virtually entirely upon the limitation of the time devoted to commercials, and I can see absolutely nothing to be gained by [FCC's] pursuit of our error."

Joint study by broadcasters & advertisers should evolve simple "do's" & "dont's," Swezey said. He called for immediate study of network & local commercials to categorize them in terms of quality (creative, entertaining, educational, dull, repetitive, obtrusive), placement, length, etc.

FCC plan was attacked last week by Rep. Roberts (D. Ala.), member of Commerce Committee: "The adoption of such a proposal . . . is a very definite form of rate-setting which I believe to be outside and beyond present regulations."

Best TV commercials were honored in N.Y. May 24 with "Clio" Awards presented at 4th annual American TV Commercials Festival. Total of 56 awards in 33 product or special categories was handed out to winners selected by 135 admen in 5 regional councils from nearly 1,400 commercials submitted by clients, agencies, stations & producers in U.S. & Canada. Hottest winner was Goodyear Tire's "Go, Go" series of film spots, produced by VPI for Young & Rubicam, which won "best" as over-all series, as well as its product category, plus top scores for editing & scoring. Interestingly, no awards were voted in tobacco & dentifrice categories because "no exceptional advertising was introduced during the past year." Multiple-award winners were Volkswagen, Chevrolet Trucks, Trushay, Sprite Soda, Laura Scudder Potato Chips, Cracker Jack. Best locally produced commercial was musical spot series which helped to win upset election for Indiana's Birch Bayh over Sen. Homer Capehart. Video-taped commercials were represented at event (to delight of festival dir. Wallace Ross), being screened on closed-circuit system. Festival will be re-staged June 5 in Toronto; reels of winners will be shown to ad clubs in U.S. & overseas.

Top industry officials host annual campaign luncheon of radio-TV div., United Jewish Appeal tomorrow (28) at N.Y.'s Waldorf-Astoria: Simon Siegel, AB-PT exec. vp, UJA div. chmn.; Leonard Goldenson, AB-PT pres.; Robert Hurleigh, Mutual pres.; John Kluge, Metromedia pres.; Donald McGannon, Group W pres.; William Paley, CBS chmn.

Measure to lift equal time proviso of Communications Act for "legally qualified candidates" for President & Vice President was approved by House Commerce Committee last week. Resolution (H.J. 247) provides for suspension of Sec. 315 of Act for 75-day period immediately preceding Nov. 3, 1964, asks FCC to make detailed report to Congress by May 1, 1965, on effects of suspension.

Sarnoff on ETV Goals: NBC Chmn. Robert W. Sarnoff, in the running dispute over his views on ETV's role (Vol. 3:18 p3, et seq.), elaborated last week. Speaking to National Congress of Parents & Teachers in Miami, he said that:

ETV has "unique opportunities" to present in detail subjects of special interest to minority audiences, to engage in program experimentation that at first may attract small number of viewers, to provide formal instruction to ease load of overburdened educational system.

Earlier in week, Sarnoff received award from American Assn. of Colleges for Teacher Education for *Continental Classroom*, "first nationally televised college course, 1958-1963."

A plea on behalf of ETV's versatility was made by John F. White, NET pres., in a May 17 speech before PR directors of ETV network's affiliates in N.Y. "We must resist the efforts of those who would drive us to a single philosophy," he said, adding, "It is your role to develop the strongest kind of local programming, and it is here, I think, that all of us have not done our very best. We need more showmanship."

ETV's success should not be measured in terms of medium's problems in N.Y., White warned. "All of this business about the N.Y. affair damaging ETV across the country is in my mind a lot of poppycock."

Salant Extolls TV News: Increased faith of public in TV news was underscored by CBS News Pres. Richard S. Salant in speech before Chicago Broadcast Advertising Club last week.

Citing 1962 Elmo Roper study, he said 39% of public termed TV news "most believable," up 10 points from 2 years ago, while newspapers dropped from 32% to 24%. "Least believable" to interviewees, Roper found, were: newspapers, 28%; magazines, 25%; radio, 9%; TV, 7%.

Salant said new study by Dr. Gary Steiner, a follow-up of "The People Look at Television" (Vol. 3:8 p2), will show that percentage of public believing TV has most complete coverage has increased from 20% to 29% in 2 years; TV brings latest news most quickly, from 36% to 47%; TV has most unbiased news, from 29% to 40%.

No self-representation plans are blueprinted by Triangle Stations, apparently. Triangle last week renewed its national rep contract with John Blair & Co. Said Triangle Vp-Gen. Mgr. Roger W. Clipp: "It is a pleasure to continue our association." Similarly, C. Wrede Petersmeyer recently told us that Corinthian Bcstg. Co.'s stations were also "quite happy" with firm's rep, H-R, and "have no plans to create our own rep firm" in the manner of Westinghouse Bcstg. Co. and RKO General. Triangle deal with Blair involves TV outlets in Philadelphia, Hartford-New Haven, Altoona-Johnstown, Binghamton, Fresno and Lancaster-Lebanon, plus radio representation of 5 Triangle outlets.

CATV in program distribution: Cablevents, subsidiary of Daniels & Assoc., Denver, gets U.S. & Canadian CATV distribution rights from SportsVision for closed-circuit Liston-Patterson return championship bout July 22 in Las Vegas. Pres. Bill Daniels said this marks firm's entry into special CATV programming & distribution.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington 6, D. C.
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook
VIRGINIA SNOWDEN, Managing Editor, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director
CHARLES SINCLAIR, Contributing Editor

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

TELEVISION DIGEST. Published Mondays. Services: $75-$150 annually.
For group rates & other subscription services, write Headquarters.

TELEVISION FACTBOOK Published Annually
TV & AM-FM ADDENDA Published Saturdays
AM-FM DIRECTORY Published Annually

Personals

Frank Stanton, CBS pres., named a trustee, Carnegie Institution of Washington succeeding late Henry R. Shepley.

Stephen C. Riddleberger, ABC-owned radio stations pres., named ABC News vp & gen. mgr., succeeding **Robert E. Lang,** vp in charge of news, resigned. **Robert J. Quinn** promoted to exec. producer-gen. operations mgr.

Stuart Temkin, CBS TV spot billing section supervisor, promoted to CBS TV Stations National Sales business mgr. . . . **Howard Karshan,** asst. to CBS News business affairs dir., promoted to dir. of administration, Europe, hq Paris.

William Cooke, ex-Canadian Bcstg. Corp. TV sales mgr., named gen. mgr., CBS TV Network Sales of Canada, new subsidiary . . . **Raymond V. Schneider** elected TelePromTer vp in charge CATV div., **Jay J. Merkle** vp-programs & productions div.

David Gerber elected GAC-TV senior vp, **Lester Gottlieb** rejoins company as vp-East Coast creative programming . . . **Albert Kinsey,** ex-Lewis, Dobrow & Lamb vp, named station mgr., uhf WOOK-TV Washington.

Paul Marlowe promoted to WESH-TV Daytona Beach news dir., **Ben Taylor** to sports dir. . . . **William J. Silag,** ex-asst. to pres., Ithaca College, named asst. to **Phil Cowan,** Metromedia PR vp.

David H. Horowitz, ex-partner, law firm Schwartz & Frohlich, named Screen Gems gen. attorney . . . **James E. Corkey,** ex-FTC senior trial lawyer, appointed Senate Antitrust & Monopoly Subcommittee gen. counsel.

Robert Rausch, ex-WREO Ashtabula, appointed West Coast broadcast sales rep, General Electronic Labs.

ANA PROBES TV VALUES: Cold-eyed look by admen at TV's ability to punch across sales points and stimulate consumer purchasing was dominant feature of spring meeting in N.Y. last week of Assn. of National Advertisers.

Brown & Williamson's Ad Dir. John W. Burgard told ANA members of notable difference in TV commercial effectiveness when product message is in "island" position as opposed to being buried in "clutter" at station-break and group-commercial points.

A major broadcast ad buyer, Burgard said tests of kines on audience panels showed 40% more viewers recalled brand, 35% more recalled specific copy points than did viewers who saw commercial in "clutter" position.

Narrowing product protection in nighttime TV is obviously part of problem of commercial effectiveness, as Burgard sees it. He cited further research to show average 44% gain in effectiveness of commercials when tested alone, as against spotting in show with 15-min. product protection.

Report on another TV study came from Paul E. J. Gerhold, vp & mktg. dir. of Foote, Cone & Belding. In telephone survey (11,000 completed calls) in Queens County, N. Y., researchers found that TV wasn't doing well in reaching, or impressing, housewives in evenings. Highlights of study: only 9.4% of housewives viewed part of average evening network TV show, and only 2.5% of housewives could recall, a day later, something said or demonstrated in commercials they had seen. Commented Gerhold: "Program ratings are . . . an unsatisfactory basis for improving TV advertising efficiency."

On special ANA front news was made by noted electronics industry adman—Westinghouse's Roger H. Bolin. He was voted Paul B. West Award for Leadership for, among other things, "powerful determination to achieve the high objectives he sets for himself & the organizations he helps guide."

—■—

WHAS-TV Louisville was socked by FCC with $1,000 fine for failing to identify sponsor of political broadcast relating to May 28 election for governor. Commission said April 29 program was announced as sponsored by "Committee for Good Government," when station "had reason to inquire as to whether the true sponsor was in fact Edward T. Breathitt, one of A. B. Chandler's opponents . . ." Commission said station's explanation wasn't satisfactory, that violation was "willful." Counsel for station said action will be contested.

Seven studio consoles and related equipment, worth about $500,000, have been ordered from Gates by CBS for its new Broadcast Center. Contract for the transistorized equipment, Gates said, is "probably the largest single order for sound control equipment ever placed by a U.S. company."

Eidophor simultaneous color TV projector was delivered by Theatre Network TV this month to Hazeltine Electronics Div. for installation at Rome Air Development Center, Rome, N.Y. TNT said delivery was the first of any projector using Eidophor principle to project NTSC-standard color.

FCC Chmn. Minow's appearance on *Brinkley's Journal* has been rescheduled for May 27.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

THE NEW LINES—COLOR PRICE BREAK: That crunching sound you just heard was the breaking of color prices. To accompaniment of raised industry eyebrows, Admiral at week's end showed 16-set color line which started with $399.95-list table model, remote-control version at $429.95 and console at $495. Zenith's color line was marked by reductions of up to $50 in some models.

Admiral's $399.95 color leader was week's big surprise. It's black ebony table model. One of top 3 or 4 manufacturers of color, Admiral is making all color sets available with "full-function Sonar wireless remote control" for low additional price of $30. Its new color sets feature 26,000 volts of picture power, single color-brightness-contrast control.

Effect of Admiral's color move on its competitors is not yet known. However, you'll recall that RCA & Philco color lines also now give more value for money, and neither has black metal table model (Vol. 3:20 p8)—leaving room for introduction of one later at less than current $495 starting-point (RCA's leader is wood-grain metal consolette, Philco's is hardboard table model).

Zenith, too, has room for lower-priced drop-in color set, if it should so choose—for its leader model is now vinyl-clad consolette at $499.95, just $50 less than corresponding model last year. Also a $50 reduction, 18-set Zenith color line features lowboy console at $549.95. In Zenith's 34-set black-&-white lines, significant reductions also abound—particularly new 16-in. set at $149.95 ($10 cut), 19-in. at $149.95 ($20 off). Zenith has introduced solid-state amplifier for its stereo instruments.

Admiral also confirmed report, first printed last Jan. in Television Digest, that it will introduce 11-in. personal TV (Vol. 3:4 p8). It showed set to distributors at last weekend's Chicago meeting, revealed no delivery schedules but announced "pricing will be competitive"—presumably with GE's $99.95 (Vol. 3:20 p8).

In first statement about its tinyvision, Admiral emphasized its differences from GE's radically designed no-chassis model. It used phrases such as "horizontal precision crafted chassis . . . rugged steel supporting frame . . . the same time-proven circuitry featured in big-screen sets . . . far more than normal strength [in] the chassis."

Trends thus far in 4 major lines announced to date (RCA, Philco, Zenith, Admiral color) and in other lines which have been premiered, shape up this way: Definite price reductions in some sets, more for money in others; big push for 16-in. & below; longer lines in color & b&w TV as well as stereo.

It's obvious no one wants to rock the boat while trade winds are blowing so freshly. New merchandise shown so far—and the prices—constitute industry's strong bid to encourage public to continue its present spending mood. (For details on new sets, see p. 9.)

FAIR TRADE DISTRIBUTOR MEANS BUSINESS: Motorola's Chicago distributor isn't seeking court case to test its newly established fair-trade program (Vol. 3:14 p13), but Motorola-Chicago hasn't hesitated to take prompt legal action to corral 2 straying dealers.

In latest move, distributor obtained temporary injunction against Alan Radio & Appliance, Chicago, which attempted to sell fair-traded $259.95 Motorola TV for some $24 less. Alan's owner, Alan Kritz, told us "one of our extra men" made the sale, which "we caught and never shipped." He added: "Our sales force now is fully indoctrinated and I'm happy with the situation. I'd love to see fair trade work out."

We asked Motorola-Chicago's counsel, Robert V. Nystrom, why matter had been taken to Superior Court, Chicago. He explained: "We find it more efficient and impressive if we go to court for an injunction instead of handling the matter with the dealer over the phone. If he violates again, he's in contempt of court."

Although Illinois state law automatically binds all Motorola-Chicago dealers to fair trade contract so long as just one signs it, distributor has been signing dealers to individual contracts, has some 90% of

them already in fold. However, 10% who haven't signed, including Alan Radio & Appliance, are bound just as tightly as the signers. "We have been obtaining individual contracts," Nystrom told us, "because it's more impressive that way and shows individual treatment of our dealers."

Test case is unnecessary, he said, because "Illinois' fair trade law has been fully established." Motorola-Chicago soon will nail down its temporary injunction against Alan's by applying to court for permanent injunction, Nystrom told us, adding: "Alan will not contest, so I can go into court most anytime to obtain a permanent ruling." Injunction had been obtained against a prior violator, "but he signed our fair trade contract the day the injunction was issued."

SLOW PROGRESS TOWARD 'HI-FI' DEFINITION: Federal Trade Commission's Bureau of Industry Guidance is still determined to arrive at definition or standard of "high fidelity" and similar terms to protect public against misleading advertising of home audio equipment. But it's still in stage of "preliminary consideration" and wants more views from industry.

One estimate from within Bureau is that "we could conceivably come up with a definition within the next few months, but it will probably take more than a few months." Timing depends on when all of industry's views are received, on staff members' workload and on FTC procedures.

EIA submitted package hi-fi manufacturers' suggested definition in Jan. (Vol. 3:2 p9)—passed it along to FTC without endorsement. It was met with howls of anguish from some component hi-fi makers, but it's understood that component industry's manufacturing association, Institute of High Fidelity, has not yet submitted any "comprehensive recommendations" to FTC.

"The mere fact that the industry can't agree on a definition will not preclude our trying to protect the public with some specific rules," an FTC spokesman told us last week. "This is an important issue with us. We think the consumer is being deceived, and we have considerable evidence that others feel the same way. We know it's not an easy problem—it's highly technical—and we are awaiting submission of views by other interested members of the industry."

FTC is not wedded to any specific method of "defining" hi fi. In fact, it seems now to be veering toward some sliding-scale method, such as "test standards with clear & conspicuous disclosures." If a manufacturer calls an instrument high fidelity, "he must come up with disclosure of what he means by the term," is how one FTC staffer explains this approach. Presumably, Walsh Engineering Co. grading system (Vol. 2:26 p14, 3:12 p8) would fit this approach.

Hi-fi standards or definition could be established under one of 3 different FTC procedures: (1) Advertising guides, which could be promulgated by FTC without hearing, on basis of Commission stipulation of what are considered adequate advertising safeguards. (2) Commission could call trade practice conference, inviting interested parties to appear for informal exchange of views. (3) It could use new procedure of establishing trade regulation rules—which includes full hearing and full record in consideration of whether to promulgate rules. Best guess is FTC will use simplest method—establishing advertising guides.

There's another possible procedure for setting hi-fi standards—but it doesn't directly involve FTC. This is through Commerce Dept.'s Commodity Standards Div., which establishes industry standards—usually upon petition of members of an industry rather than another govt. bureau. Nevertheless, since FTC may well make use of services of Commerce Dept.'s National Bureau of Standards for technical work on subject of hi fi, Commodity Standards Div. may eventually get into the act.

FTC officials are anxious to get views of individual members of industry on question of hi-fi standards & definitions, and say they'll be happy to receive suggestions in writing or in person. Address: Bureau of Industry Guidance, Federal Trade Commission, Washington 25, D. C.

For status report of staff-level investigation by FTC attorney G. Martin Shepherd, see p. 10.

TV-RADIO PRODUCTION: EIA statistics for week ended May 17 (20th week of 1963)

	May 11-17	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV	130,302	118,364	117,930	2,668,454	2,566,590
Total radio	366,198	322,782	360,623	6,559,909	7,202,709
Auto radio	155,058	128,254	129,091	2,946,100	2,516,767

THE NEW SETS: Bigger values, longer lines—and some surprises— highlighted last week's new-set introductions. (See also p. 7.)

At week's end, **Zenith** hadn't announced full pricing of its lines, but indicated that wood veneer cabinets on color sets would "offer greater values" this year, presumably in line with trend to begin wood cabinets at lower prices. Top of color line is $1,775 combo. In black-&-white, Zenith introduced new strip tuner (in 31 sets) which can accommodate any combination of 12 vhf or uhf channel strips—especially useful for remote tuning. In addition, all sets are designed for field conversion to all-channel. Two Zenith portables have new timer which turns set off within 10 hours or turns it on up to 13 hours after setting.

Major innovation in Zenith stereo line, as shown to distributors in Chicago, is solid-state amplifier in 4 models, which supplies 120 watts of EIA music power, and is claimed to provide clearer reproduction, particularly on high sound peaks.

Admiral's color line, aside from leader models, features "Masterpiece Series" of wood & veneer cabinets with 10 models at $549.95-$725. Color combos with FM stereo are $895, $925 & $995. The $399.95 leader model has same basic chassis as other Admiral color sets, but uses gasketed safety glass instead of bonded picture tube. Admiral also introduced redesigned automatic record changer in "pancake"-type slim monaural portable at $39.95.

Big, big phono line—17 portables & 12 consoles—was introduced by **Symphonic** last week. Called Symphonic's "broadcast," it features 4-speed portable phono with AM radio at $29.95, drop-down changers in 4 high-end portables, stereo FM & AM in portable phonos at $169.95 & $229.95. Nine consoles have hardwood veneer cabinets. Consoles begin at $99.95, FM-stereo equipped consoles at $179.95 (vs. $239.95 year ago). Top-of-line is $339.95. Symphonic re-entered tape recorder market with 4 units. Other new-set introductions:

Pilot introduced all-solid-state portable stereo phono at $199, designed to accommodate drop-in FM-stereo & AM tuner.

RCA Distributor Products Dept. showed new FM-stereo version of its hi-fi FM-AM-tuner-amplifier at last week's Parts Show in Chicago. No price was announced for the 30-watt unit.

Estey Electronics, manufacturer of electronic organs, announced new tape recorder line at $79.95, $99.95, $199.95 & $299.95.

Magnavox premiered 7-transistor pocket radio with gift-pack at $17.95, reduced one multi-band portable from $125 to $99.95, another from $99.95 to $89.95, raised price of 8-transistor pocket set $2 to $21.95.

Standard Radio Corp. introduced first FM-only portable radio, 10-transistor, at $49.95, and 8-transistor version of its tiny matchbook-size Micronic Ruby at $39.95. **Electrohome** is introducing FM stereo table radio in U.S. at $169.95.

Philco will double its dollar investment in point-of-sale advertising for its 1964 TV's & stereos. Promotion mgr. Owen Klepper said Philco's investment in point-of-sale displays in next 12 months also will be highest yearly spending in past decade.

Philco-Ford relationship is paying off, Ford Group vp Irving A. Duffy, a Philco board member, told Philco distributors at Miami Beach convention. Part of the $17 million Ford authorized for facilities & tooling in Philco's Consumer Products Div. has resulted in redesigned TV sets, he said. In April, after introduction of new Starlite portable line, Duffy said, Philco TV distributor sales climbed 11% from last year, compared with 5% industry-wide increase. Philco also announced first national dealer meeting since acquisition by Ford—May 23, 1964 in Ford Bldg. at N.Y. World's Fair, with 5,000 dealers & distributors attending unveiling of 1965 lines.

Philco employes' claim that increasing imports of transistor radios was major factor in closing of Sandusky, O. production plant was rejected by Tariff Commission (Vol. 3:14 p14). Favorable ruling would have qualified employes to apply to Labor Dept. for variety of Federal aids. Commission said it had confidential information from Philco supporting latter's earlier announcement that Sandusky plant was being closed because "there no longer is economic justification for maintaining separate facilities for the production of home radios alone."

Packard Bell will buy cabinets from Chisolm Industries, Canadian TV & cabinet manufacturer, "due to continued record-breaking sales" which have exceeded Packard Bell's cabinet manufacturing capacity. Home Products Div. vp-gen. mgr. Kenneth R. Johnson estimated that Chisolm "will be producing 3-5% of our cabinets in the near future."

U.S. companies established 1,874 new operations in Europe in 5 years from Jan. 1958 through Jan. 1963, reported Chase National Bank. Of these, 177 were electronics & electrical machinery firms, 53 appliances, 52 research & engineering. Italy was prime choice for electronics-electrical companies with 40. Runners-up: France, 34; United Kingdom, 25; Switzerland, 20.

Audio Devices' first-quarter sales dropped 5-10% from year-ago's $2.2 million, but Pres. William T. Hack said he couldn't estimate if profits also sagged. Audio Devices issues only semi-annual statements. For total 1963, Hack forecast 11% increase over 1962's record $8.2 million sales (Vol. 3:14 p16) & "continued improvement in profit margins."

GE record-changer production will begin about Sept. 1 in newly leased 46,000-sq.-ft. Decatur, Ill. building, using dies & designs purchased last March from Glaser-Steers Div. of Ametek Inc. (Vol. 3:13 p7). GE officials said company would also continue to buy changers from current vendors.

International Resistance will erect $2.5 million, 72,200-sq.ft. advanced research & development center near Norristown, Pa. next year. Construction, originally slated for this summer, will get underway next March.

Transistorized indoor TV-FM antenna & booster, "Transistar," has been introduced by Spirling Products. Device incorporates twin dipole antennas, printed-circuit transistor amplifier, sells for $29.95.

J. C. Penney Co. will sell its own brand TV sets in 96 of its 1,700 retail stores by year's end, Pres. William M. Batten said at firm's annual meting in N.Y. last week.

"U-Boost" — uhf booster — has been introduced by Blonder-Tongue at $39.95 list.

FTC's Hi-Fi Comments: Here's status of FTC's staff-level high fidelity investigation (see p. 8) as explained in letter which is sent by G. Martin Shepherd of Bureau of Industry Guidance in response to industry inquiries:

"On the basis of available information, it appears that this term [high fidelity] is being used in such manner as to have the capacity and tendency to deceive consumers. Such a practice could constitute a violation of Sec. 10 of the Federal Trade Commission Act which declares unfair methods of competition, and unfair or deceptive acts or practices, in commerce to be unlawful. Therefore, this bureau's staff is pursuing its responsibility to investigate & determine whether the practice is so widespread and the public interest so substantial as to warrant recommending that the Commission take some industry-wide action to protect consumers & competitors."

"We are now seeking available information & opinions from groups & individual experts in the field of sound reproduction to assist in our determination of what criteria should be met before products could be properly represented as being in the 'high fidelity' range. No one group or segment of the industry has been singled out in this regard. On the contrary, we have indicated that we would welcome the constructive suggestions of any company, group or individual.

"We have received a number of constructive suggestions concerning this very complex problem, but we believe that a full expression of the industry's views would be very helpful in establishing an adequate basis for this bureau's eventual recommendation to the Commission. In this connection, we are awaiting what we hope will be extensive comments from members of the industry who have indicated a desire & willingness to state their positions."

Letter concludes with invitation to present "any serious contribution" in writing or in informal discussion with FTC staff members in Washington.

■

Magnavox & Pres. Frank Freimann drew May 22 *Financial World* accolade which emphasized that "low-cost production of high quality electronic goods has made Magnavox a growing force in the electronics world." Analysis drew attention to Magnavox's "exceptionally wide profit margins," noted that "some 80% of its sales of TV sets in 1962 was in the $250 and over bracket." Company also sold "close to ⅓ of all TV-radio-phono combinations last year." Portables & table models "represented 60% of all TV set sales last year," *World* pointed out, "but only 25% of Magnavox sales were in this lower end of the price scale." Consumer products accounted for nearly ¾ of Magnavox's total 1962 earnings, but "fastest-growing segment of the business has been the Govt. & Industrial Products Div. which contributed more than 45% of 1962 sales."

Raytheon expects profitable first half despite first-quarter loss of more than $1.4 million (Vol. 3:16 p12). Pres. Charles F. Adams told annual meeting that loss stemmed from writeoff of expenses involved in closing of East Coast semiconductor facilities.

ITT will spend more than $1 million for 53,000-sq.-ft. addition to its ITT Federal Labs facilities at San Fernando, Cal. New facility is slated for completion by mid-August.

First-Quarter Tube Sales: Factory sales of TV picture & receiving tubes closed 1963's opening quarter on downbeat, trailing in both units & dollars from 1962's first quarter. Picture tube sales dipped more than 66,000 units to 2.3 million from 2.4 million; dollar value dropped more than $2 million to $43.1 million from $45.1 million. Receiving tube slide was even more pronounced. Unit sales fell off more than 8.8 million to 83.7 million from 92.5 million in 1962's opening quarter. Dollar value declined $7.9 million to $70.5 million from $78.4 million.

Lagging first-quarter sales were aggravated by March decline in both units & dollars for picture & receiving tubes. Picture tube sales tumbled more than 57,000 units to 760,524 from March-1962's 817,830; dollar value sank $1.4 million to $14.2 million from $15.6 million. Receiving tube sales in March lagged 4.6 million units behind year-earlier's 34.9 million units; dollar value sloughed off $4.1 million to $25.6 million from $29.8 million. Here are EIA's figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	890,246	16,846,046	27,025,000	22,524,000
February	636,392	11,990,596	26,382,000	22,354,000
March	760,524	14,223,503	30,285,000	25,643,000
Jan.-Mar. 1963	2,287,162	43,060,145	83,692,000	70,521,000
Jan.-Mar. 1962	2,353,561	45,149,766	92,497,000	78,415,000

■

Legalities: Zenith & Motorola are dropping their suits against each other for TV patent infringements. The suits: Zenith's 1959 action charging infringement of its "fringe lock" circuit & 5 patents covering "Space Command" remote control; Motorola's 1960 suit alleged infringement • **Sonic Electronics'** 27¼% Chapter 11 plan (Vol. 3:8 p11) has been accepted by required majority of creditors of N.Y. phonograph & hi-fi equipment manufacturer. Plan commences 60 days after confirmation, is payable in 48 equal monthly installments. Next hearing before Referee Asa S. Herzog: June 10, 10:30 a.m. • **Rek-O-Kut,** Corona, N.Y. maker of hi-fi equipment, has filed Chapter 11 petition, listing liabilities of $361,406 vs. assets of $502,125, including $100 cash, $300,000 inventory, $139,000 accounts receivable. Referee is Sherman D. Warner, Jamaica, N.Y.

Aiming at "component TV" business, Andrea Radio is gradually putting its "Satellite" chassis in national distribution, for sale through parts jobbers & hi-fi dealers. According to gen. sales mgr. Michael Ranalli, Andrea now has sales reps covering about 75% of the country, but only for its Satellite unit—not its full TV line, which is sold mainly in N.Y. metropolitan area. Chassis is being merchandised as component for built-in systems & TV-hi-fi systems, sells for "under $300." Andrea has tentative plans to add similar color TV chassis.

Home Entertainment Co. of America placed on market 300,000 shares of common ($10 a share) via underwriters Bernard M. Kahn & Co. Proceeds will be used to install & operate pay TV system in Santa Monica, Cal. Service is slated to commence operation April 1964.

Assn. of Electronic Mfrs. is new name of merged Producers of Associated Components for Electronics and Assn. of Electronic Parts & Equipment Mfrs.

Scripps-Howard Bcstg. earnings in 1963's first quarter were 27¢ per share vs. 28¢ a year earlier.

Trade Personals

Allan B. Mills, RCA Sales Corp. advance product planning mgr., retires June 1 after 39 years with RCA. One of consumer electronics industry's best-known executives, he has held wide variety of sales & merchandising posts in company's consumer products operations, including position of sales & merchandising mgr. He'll be succeeded in planning post by **David E. Daly,** former field sales representative.

Charles B. Thornton, Litton Industries chmn., elected to board of Lehman Bros. investment bankers.

Maj. Gen. David P. Gibbs promoted to U.S. Army Chief Signal Officer, succeeding **Maj. Gen. Earle F. Cook;** Gen. Gibbs' father, Maj. Gen. George S., held post 1928-31.

Dr. Paul K. Weimer, RCA Labs, receives 1963 David Sarnoff Outstanding Achievement Award in Science for contributions to field of thin-film electronic devices; **Dr. Morrel P. Bachynski,** RCA Victor Co. Ltd., Montreal, cited with 1963 David Sarnoff Outstanding Achievement Award in Engineering for achievements in fields of microwaves & plasma physics.

Gordon N. Thayer becomes AT&T planning vp June 1, succeeded by **Richard A. Goodson** as operations vp.

Thomas Q. Fisher appointed Philco TV & hi-fi product planning mgr. . . . **Philip Weil,** former Norge mktg. development dir., joins Magnavox in as-yet-undisclosed post.

George E. Morden, former Martin-Marietta vp, joins RCA Victor Co., Montreal, as asst. to consumer products vp **G. L. Mansour.**

Dr. F. Lincoln Vogel Jr., ex-RCA, appointed head of Sprague Electric's Semiconductor Research Dept. . . . **Dr. Charles J. Peters** named senior scientist at Sylvania's Applied Research Lab.

Leon Kuby, sales mgr. of Harman-Kardon's Citation Kit Div., also also named Hi-Fi Div. sales mgr., a new post . . . **Thomas R. Chadwick,** ex-Henri, Hurst & McDonald ad agency, appointed sales mgr., Admiral Color TV Div. . . . **Norm Sanders** appointed hi-fi sales mgr., Lear Siegler's Bogen Communications Div., succeeding **Harry Barton,** resigned.

Robert Harris, ex-Emerson, joins Symphonic Radio & Electronic as asst. sales mgr. for tape recorders.

Obituary

Henry W. Johnson, 56, RCA International patent attorney, died of heart ailment May 19 in Philadelphia's Hahnemann Hospital. He lived in Bloomfield, N.J. Johnson also was member of IEEE's Standards Committee. Survivors are wife, daughter, son.

Ludwig G. Zucker, 58, retired design services lab mgr. of Allen B. Du Mont Corp., died May 16 at St. Michael's Hospital, Newark, N.J. He had been previously an RCA project engineer & Emerson Radio chief mechanical engineer.

Distributor Notes: **William E. Boss,** ex-RCA & for past year vp of Southern Wholesalers Inc. of Va., appointed exec. vp of parent **Southern Wholesalers** • **Olympic Radio & TV** names **Jack Wolf** mgr. of Boston sales branch, succeeding **David Schwartz,** resigned. He also continues as northeastern regional sales mgr.

ARMSTRONG'S VINDICATION: Nine years after his death, estate of Maj. Edwin H. Armstrong now has made nearly complete sweep of settlements with TV-radio industry, collecting untold millions on basis that Armstrong's FM inventions "are to be found in every FM broadcast receiver, in every TV receiver, and they have wide applications to military, police & other mobile services."

Wording is from opinion in 1959 suit against Emerson, first of FM cases to reach decision, which marked turning point in fight of Armstrong against most of TV-radio industry (Vol. 15:40 p15). Recent settlements by Admiral and Du Mont Labs (now a Fairchild Camera div.) brought total to 19, out of 21 cases filed by Armstrong estate. Two suits now remain on books—against Motorola & Philco. Motorola action went full legal route, now awaits decision in Chicago Federal Court.

First out-of-court settlement was reached with RCA shortly after Armstrong's death in 1954. Other firms which have settled are Arvin, Avco, Bendix, Fada, Gilfillan Bros., Hoffman, ITT, Packard Bell, Philharmonic, Radio Craftsmen, Radio & TV Inc., Raytheon, Sentinel, Sylvania & Wells-Gardner.

The 28 companies which took licenses under Armstrong patents paid royalties totaling $4.5 million from 1940 to 1954. They include GE, Zenith, Fisher, Westinghouse, Hallicrafters, Western Union, Stromberg-Carlson, Western Electric.

Mergers & acquisitions: General Controls has been merged officially into ITT (Vol. 3:15 p12), will be operated as wholly owned subsidiary named ITT General Controls Inc. • **Emerson Electric,** St. Louis maker of electric & electronic products, and Rantec, Calabasas, Cal. manufacturer of microwave devices, antennas & electronic instrumentation, will merge if their stockholders approve. Amalgamation calls for exchange of 2.35 shares of Rantec common for one share of new Emerson preferred that would be convertible into .8 share of Emerson common. • **Cox Instruments** shareholders have approved merger into **Lynch Corp.** (Symphonic) on basis of 1.05 shares of Lynch common for each Cox share. Lynch already owns some 55% of Cox's outstanding 373,674 shares.

Bankruptcy frauds are on rise, reported May 20 *Wall St. Journal,* adding: "Investigations of suspected frauds in bankruptcy cases have risen 40% in the past 3 years and criminal convictions for such frauds have more than doubled in that time, the FBI reports." One estimate of cost to American businessmen is $1.5-2 million per business day, up from about $500,000 in 1955. Result: some manufacturers "have increased significantly the provisions they make for potential bad debts." Example: "Emerson Radio in the 5 years to 1962 increased its reserves for doubtful accounts 125% while sales rose 47%."

Howard W. Sams expects earnings in 1963 fiscal year ending June 30 to top $1 million vs. year-ago's $860,061. Sales are expected to rise to "at least $14 million" from fiscal-1962's $13 million. (For 9-month report, see Vol. 13:20 p16.)

Litton Industries will sell to institutional investor $50 million of promissory notes due Dec. 1, 1984. New financing, arranged by Lehman Brothers and Clark, Dodge & Co., will be used to repay short-term bank notes.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Allied Artists	1963—39 wks. to Mar. 30	$ 13,584,000	—	$ (1,200,000)	—	931,608
	1962—39 wks. to Mar. 30	9,585,000	—	(1,196,000)	—	931,608
Automatic Radio Mfg.	1963—6 mo. to Mar. 31	7,068,600	—	294,800	$0.13	2,038,415
	1962—6 mo. to Mar. 31	7,259,900	—	477,600	.22	1,960,015
Avnet Electronics	1963—9 mo. to Mar. 31	34,616,846	$ 4,261,461	2,157,791	.70	3,090,837
	1962—9 mo. to Mar. 31	30,420,066	4,749,444	2,385,495	.77	3,090,837
	1963—qtr. to Mar. 31	11,792,982	1,065,866	536,444	.17	3,090,837
	1962—qtr. to Mar. 31	11,016,824	1,664,702	821,230	.27	3,090,837
Federal Pacific Electric	1963—9 mo. to Mar. 31	70,841,889	1,629,304	794,404	.09[1]	2,426,096
	1962—9 mo. to Mar. 31	71,913,054	2,748,562	1,601,206[2]	.39[1]	2,371,127
	1963—qtr. to Mar. 31	22,997,148	125,595	67,695	—	2,426,096
	1962—qtr. to Mar. 31	23,405,186	(562,528)	(353,484)[3]	—	2,371,127
Lafayette Radio & Electronics	1963—9 mo. to Mar. 31	24,215,696[4]	—	672,207[4]	.63	1,061,675
	1962—9 mo. to Mar. 31	18,975,813	—	478,143	.45	1,061,675
Microwave Associates	1963—6 mo. to Mar. 31	5,274,800	—	35,800	.04	1,019,100
	1962—6 mo. to Mar. 31	6,261,700	—	265,900	.26	1,012,200
Oxford Electric	1963—qtr. to Mar. 31	2,089,800	(61,673)	(61,673)	—	461,989
	1962—qtr. to Mar. 31	2,263,583	46,664	22,664	.05	436,466
Screen Gems	1963—9 mo. to Mar. 31	—	5,496,810	2,783,218[4]	1.10	2,538,400
	1962—9 mo. to Mar. 31	—	4,851,500	2,428,236	.96	2,538,400
Technicolor	1963—qtr. to Mar. 31	18,616,166	—	866,437	.33	2,655,921
	1962—qtr. to Mar. 31	14,796,100	—	513,511	.20	2,623,218
20th Century-Fox	1963—qtr. to Mar. 31	23,961,000	2,824,945	2,292,000	.90	2,545,845
	1962—qtr. to Mar. 31	32,668,000	(209,347)	(513,587)	—	2,446,986

Notes: [1] After preferred dividends. [2] Includes $563,122 non-recurring income [3] After $209,044 tax credit. [4] Record.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Disney Productions	Q	$0.10	July 1	June 12
Emerson Radio	Q	.10	June 20	June 5
Famous Players	Q	.25	June 14	May 30
Globe-Union	Q	.22	June 10	May 31
Harvey Radio	Stk.	5%	July 19	June 21
MGM	Q	.37½	July 15	June 14
Scripps-Howard Bcstg.	New	.25	June 10	May 24
Sprague Electric	Q	.30	June 14	May 27
Time Inc.	—	.75	June 10	May 24
Warner Bros.	Q	.12½	Aug. 5	July 12

ABC-TV's strong program schedule for next season will be "fully competitive," Pres. Leonard H. Goldenson told AB-PT stockholders last week in N.Y. However, he said, some of this season's programs have not "measured up to expectations," and this was reflected in lower first-quarter earnings than year ago. Current-quarter earnings may be lower than last year for same reason, he added, declining to predict full-year results. Following the meeting, he said sales of new shows are increasing—running about same as sales this time last year—despite fact that "tried-&-true" shows generally are easier to sell. He said colorcasting next season will be doubled on ABC-TV, to total about 3 hours weekly.

Thompson Ramo Wooldridge scored record March sales of more than $40 million, and Chmn. J. D. Wright told annual meeting that 1963 sales could climb to $475 million range from 1962's $460.3 million.

Packard Bell Electronics derives some 40% of its sales from TV & radio sets, 23% in space & systems, 26% in computers, balance in physical sciences & services, noted May 20 *N.Y. Herald Tribune* in analysis of $5 million investment made by Electronics International Capital Ltd. in "financially-ailing Packard Bell for the equivalent of a 38% ownership of the company." Other EIC investments: British Ultra Electronics, $5 million for 40% ownership; Belgian Novak Electronics, $3 million for 70%; Vectron Electro-Physics Ltd. of Britain, $500,000. EIC-Packard Bell deal, analysis said, "fills a need which both organizations have, on the one hand, of investing funds in attractive situations and, on the other, of getting cash on a crash basis."

Reports & comments: Dynamics Corp. of America, discussion, Bregman, Cummings & Co., 100 Broadway, N.Y. 5 • **Gulton Industries,** analysis, Gude, Winmill & Co., One Wall St., N.Y. 5 • **Sears Roebuck,** study, Laird, Bissell & Meeds, 120 Broadway, N.Y. 5 • **Curtis Mathes,** review, William R. Staats & Co., 640 S. Spring St., Los Angeles 14 • **Walt Disney Productions,** discussion, L. F. Rothschild & Co., 120 Broadway, N.Y. 5.

R. H. Macy has leased departments in 4 N.Y.-area stores to Terminal-Hudson Electronics for sale of hi-fi equipment, audio devices, tubes, batteries & amateur equipment. Agreement marks Macy's entry in field. First leased department will open around August 1 at Macy's Herald Square store. Terminal-Hudson has had leased departments since July 1962 in Bamberger's, N.J. department store chain owned by Macy.

WEEKLY **Television Digest**

with

Consumer Electronics . . . (starts page 7)

JUNE 3, 1963 NEW SERIES VOL. 3, No. 22

NAB LIBRARY

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

OPTION TIME—NEW FCC, NEW VIEW, bring 6-1 vote for abolition. CBS compensation plan rejected, too. Court appeals expected, postponement of Sept. 10 deadline likely (p. 1).

FINIS FOR DROP-INS, FOR NOW, as Commission 4-3 vote confirms intentions. Long-range health of uhf favored over quick improvement of ABC-TV competitive position (p. 2).

FLURRY OF RATING REFORM MOVES: Raters' reaction to NAB plan. Cost formula weighed. NAB-RAB still unresolved on radio proposals. Hooper readies out-of-home measurement (p. 2).

CANADIAN THEATER-TV HOCKEY, via Eidophors, added to cable TV in Toronto. Paramount-Maple Leaf agreement provides 11,000 seats in 9 theaters in addition to Telemeter cable homes. Broader income base designed to attract better programs (p. 4).

ATTACK ON FCC COMMERCIAL PLAN, from NAB Radio Code Board, says public would count numbers rather than over-all performance, freeze standards by 'govt. fiat' (p. 4).

HILL PROBES EDITORIALS: Rep. Rogers (D-Tex.) will hold hearings in July, will also look into equal time & general fairness doctrine (p. 5).

Consumer Electronics

COLOR AT $399.95 probably will be shunned by most manufacturers in favor of 'halfway to gutter' approach, with $449.95 seen as probable starting point when new leaders are introduced. Industry views summarized (p. 7).

RADICAL CHANGES IN MIX will accelerate as TV undergoes most revolutionary phase in history—due to color, personal portables & imports; average b&w factory price last year hit all-time low of $126.61; portables & table models now approaching 70% of market (p. 8).

PARTS DISTRIBUTORS TOPPED $1 BILLION in 1962 as sales rose 9.9% to record $1.04 billion from 1961's $940.3 million. Dealer-servicemen group was top customer category by wide margin, but continued to lose ground to industrial-govt. accounts & consumers (p. 9).

ZENITH'S NEW LINES feature both increases & decreases in prices compared with last year; other new-set introductions (p. 10).

'ORDERLY' TV EXPORTS sought by Japan, as govt. prepares for export controls: EIAJ business mgr. arrives in U.S. on mission to 'insure continued stability' of market for Japanese TV (p. 10).

OPTION TIME—NEW FCC, NEW VIEW: FCC ordered end of option time in 6-1 vote last week (Lee dissenting), surprising no one. It specified next Sept. 10 as end of the road for practice which networks have had since their beginnings. Court appeals are virtually certain, so postponement of effective date is probable. Commission also knocked out CBS's incentive compensation plan, as expected, and CBS is likely to challenge that, too, in courts.

What it amounts to is that composition of Commission has changed since its 4-3 Jan. 1959 vote in favor of option time—3 New Frontiersmen replacing 3 Eisenhower appointees (Doerfer, Craven, Cross), and newcomers take a tougher line toward networks. It's noteworthy that FCC specifically said it didn't rely on anti-trust angle to rule out option time. Presumably, it's on better strategic grounds relying primarily on "public interest" considerations.

In 39-page decision, FCC says essentially: Without option time stations will have better control over their programming, while non-network program sources will flourish because they'll have access to better station time, and public will benefit from increased program availability & competition. Networks, we believe, won't be hurt by loss of option time; we simply disagree with networks' predictions. But if we're wrong, we can move fast enough to rectify things before networks are damaged.

Commission insists that networks will get adequate clearances, without the guarantees provided by option time, and that "erosion" of clearances won't be serious, won't drive away advertisers in any significant amount. "Television is too much a part of national life & advertising," FCC said.

Elimination of option time will also benefit following, Commission stated: Non-network advertisers, independent stations, national spot reps. Said FCC, in summary:

"We recognize that in reaching this conclusion we are rejecting the unanimous views of the networks and their affiliate committees. But, as indicated, the showings of these parties are for the most part conjectural in nature; the tangible material in the record indicates to the contrary. We note also that these arguments have been repeatedly made before, e.g., in 1941 with respect to any limitation in radio, and again in 1958 and 1959 with respect to TV and any reduction in option hours. Yet network radio continued to flourish until TV developed, and, as noted above, there is no indication that the recent reduction in TV option hours (and other further restrictions) has had any substantial adverse effects."

Lee's dissent was one sentence—saying he stuck by his original view that option time is "reasonably necessary" for networking.

Networks and affiliate groups couldn't offer much evaluation of decision, because text was released late Fri. But one thing bothering them substantially is that FCC outlawed option time and anything else that "has the same restraining effect." This, attorneys say, leaves FCC wide-open door. (For text of amended rules, see p. 3.)

CBS has 27 affiliates operating under its compensation plan, and FCC asked network & stations to tell it "immediately of the steps taken to ensure compliance" with new ruling.

FINIS FOR DROP-INS, FOR NOW: Vhf drop-ins are dead—for the foreseeable future. FCC finally voted 4-3 to kill them, after Chmn. Minow went through tortures of the damned before again voting "no." ABC never says die, however, will ask for reconsideration, will plug away as it has for years, seeking to convert Minow's replacement, Lee Loevinger.

Now that 3rd vhfs are out of picture for number of major markets, in decision intended by FCC as a boon to uhf, Commission seeks other means of helping uhf. Along with quashing drop-ins, FCC invited networks to conference (no date yet) to see how programs not carried by vhfs may be given to uhfs in same areas.

If Minow had voted for drop-ins, he'd have put FCC on rough spot—because reconsideration would then be sought, and Minow's replacement Loevinger very likely would vote with new Chmn. Henry against drop-ins in sudden reversal.

So 3rd vhf outlet is out of picture for Charlotte, Dayton, Jacksonville, Birmingham, Knoxville, Baton Rouge, Johnstown. Moreover, though Commission had planned to let KOCO-TV Enid, Okla. move to Oklahoma City at short space, it changed mind, insisted that station can move and identify itself with the bigger city but must maintain normal spacing. It's 37 miles from Oklahoma City now, could move to 14 miles from city, FCC said—but station argues "air hazard" problem at new site.

FCC's rationale in final vote was that drop-ins would hurt long-range growth of uhf more than they'd help competitive position of ABC—from public's standpoint. Commission said it must give uhf—and all-channel-set law—every chance to work. If it doesn't work, FCC said, vhf drop-ins could again be considered.

Minow's concurring statement said decision was toughest he's faced at FCC, a 51%-49% matter. He concluded that majority's action is good for long-range goals—but that more should be done short-range to increase network competition—and he insisted that both FCC & industry try more imagination now. Comr. Cox plans dissenting statement, didn't have time to get it written last week.

FLURRY OF RATING-REFORM MOVES: After 3 months of headline-making, ratings controversy is going through house-building stage for reform program.

Major raters' reaction to NAB's reform plan shows strong endorsement, a few reservations. One told us he's concerned about "liaison" representation from AAAA-ANA (Vol. 3:21 p2), believes they should be full participants so that they can speak for ad fraternity and endorse or challenge proposals with authority. He's afraid conflict of needs will arise, squeezing research firms in middle—Rating Council endorsing one thing, agencies wanting another.

Another problem worrying researchers: What will broadcasters do if proposed new methodology would yield lower ratings? Also, what happens if a research firm develops acceptable technique with sample smaller than audit requires?

Researchers see ray of light in NAB's setting standards: Broadcasters couldn't kick, would be obliged to pay higher tariff, if their own NAB recommends more expensive methodology. Other developments:

(1) NAB is almost ready to announce members of Rating Council who will oversee audit-accreditation plan—NAB representatives, TvB-RAB presidents or other top men, liaison representatives from AAAA-ANA.

(2) Planners still don't know how much program will cost, but it'll run into 6 figures annually. Formula may look like this: Rating services would pay a regular tithe for NAB accreditation & audit, part of this cost to be passed on to "users." Stations competing for national business—the main buyers of ratings—would be expected to increase research budgets, pay raters about 1% of their national gross, instead of present approximately .5%. They would get more in terms of reliable & recognized research, even though many believe they're paying too much now. Question also being asked: Can reps continue not paying for local station research, in spite of great use they make of it in selling?

(3) NAB told RAB last week, we understand, that radio recommendations from NAB research committee will first have to be examined before NAB can determine merits of RAB radio sets-in-use methodology proposal. RAB had requested such a meeting last week. It wants NAB to put up $75,000 of total $200,000 for radio study (Vol. 3:21 p3). So far, groups have been headed separate ways. NAB is to take up matter at June 24 board meeting.

(4) Hooper will soon jump on bandwagon of self-improvement, announce new out-of-home measurement based on "telephone recall." Calls will be made in evening to measure each rating day's out-of-home listening; in-home Hooper ratings use "telephone coincidental."

(5) Pulse will meet with clients June 4-5 at breakfast sessions at N.Y.'s Plaza to explain changes in procedures & services.

(6) Inside ratings at ABC: Though battle of ABC Radio with Nielsen has been well-publicized, it isn't widely known that ABC-TV has strong gripes over Nielsen's permanent-sample ratings. Network believes that because sample hasn't kept pace with changing population its programming directed to young adult audience has been short-changed.

(7) About reform plan, NAB Pres. Collins told Connecticut Bcstrs. Assn.: "While it is going to be a very difficult job, we feel confident that it can be done, and further, that it will prove to be one of the most significant developments in the history of broadcasting...

"For entirely too long, broadcasters have allowed an outsider—the rating services—to influence strongly advertising patronage and programming policy wthout making any meaningful check on credentials, and all the while paying handsomely for it."

Elimination of option time (p. 1) was ordered by FCC simply through following amendment of Sec. 3.658(d) of its rules: "(d) *Station commitment of broadcast time.* No license shall be granted to a television broadcast station while having any contract, arrangement, or understanding, express or implied, with any network organization, which provides for optioning of the station's time to the network organization, or which has the same restraining effect as time optioning. As used in this section, time optioning is any contract, arrangement, or understanding, express or implied, between a station and a network organization which prevents or hinders the station from scheduling programs before the network agrees to utilize the time during which such programs are scheduled, or which requires the station to clear time already scheduled when the network organization seeks to utilize the time."

Changed station-sale rules proposed by FCC, to require owners of 7 stations (maximum) to sell one before buying another (Vol. 3:7 p6), were strongly attacked in comments filed last week. NAB, the 3 networks, many major groups, argued that FCC states no reasons for proposal, that present practice puts no burden on FCC, that Communications Act would be violated, that public & station employes would be damaged under new rules, that there are no abuses which changes would eliminate.

End of fuss over ETV WNDT N.Y. was declared by FCC last week, when it said it's satisfied that neither NBC nor any other donor is dictating station's programs (Vol. 3:18 p3, et seq.). There had been allegations reported in press to the effect that NBC gave WNDT $100,000 on condition it concentrate on classroom programming noncompetitive with commercial fare.

Canadian Theater-TV Hockey: More customers & more "product" for pay TV in its various forms is result of latest tieup in Toronto area. Maple Leaf's 35 away-from-home hockey games will be carried in 9 theaters with 11,000 seats in addition to homes which have been getting them on Telemeter cable TV.

Seven of the 9 theaters are owned by Famous Players, 51% controlled by Paramount Pictures, which operates International Telemeter cable system. Last year, one of the movie houses carried hockey and "moved from the red to a substantial profit," according to Famous Players' Pres. R. W. Bolstad. Agreement with Maple Leafs is for 4 years.

Equipment will be black-&-white Eidophors, bought from Theatre Network TV; pictures average 31x25 ft. TNT has supplied U.S. Air Force with a simultaneous color Eidophor, and Telemeter Exec. vp Leslie Winik reports that similar machines will be available for theaters. Equipment is related to, but differs from, color "Talaria" made by GE for National General Corp., which plans theater-TV chain (Vol. 3:9 p3, 3:18 p2).

Paramount Pres. Barney Balaban said agreement solves a major problem in expanding pay TV in the home —"excess cost of special & sports programming in the early stages." He said arrangement also "provides an important partial solution to the present product shortage" in theaters, may put marginal houses into black. Principals look for eventual expansion across Canada & U.S.

———■———

New CATV-microwave channel in Business Radio Service was granted by FCC to Wentronics Inc., to serve its Casper, Wyo. system, with the restrictions Commission proposes in rule-making proceeding. Grantee accepted CP with this condition: "If the CATV system operates in an area within the predicted Grade A contour of any television broadcast station in operation, or which subsequently comes into operation, the CATV system must not duplicate simultaneously or 30 days prior or subsequent thereto a program broadcast by such television broadcast station, provided the CATV operator has received at least 30 days' advance notification from the broadcast station licensee of the date of such broadcast. Further, if requested by such television station, the CATV system must carry the signal of such station without any material degradation in quality."

Add CATV owned by broadcasters (Vol. 3:17 p3, et seq.): Florence, S.C. (under construction), owned by WIS-TV Columbia, S.C.; Charlottesville, Va., by WSLS-TV Roanoke, WRGM Richmond, WICO Salisbury, Md. & Washington consultant Howard Frazier; Lafayette, Ind. (under construction), by WSJV Elkhart-South Bend; Huntsville, Ala., by WBHP; Del Rio, Tex., by KDLK; Winona, Minn., by KWNO; Junction City, Kan., by KJCK.

Another CATV purchase by Cox Stations—9,500-home Harbor TV, Aberdeen, Wash., reportedly for about $1.5 million. Harbor TV Pres. Fred Goddard will remain as mgr. Cox recently bought systems in Lewistown & Lock Haven-Tyrone, Pa. (Vol. 3:17 p3), also holds franchises for Athens, Ala., Lima, O. (latter 50-50 with WIMA-TV).

CATV technical & management training will be undertaken by new Telesystem Services Corp. div. to provide source of personnel. Classes start in fall.

Attack on FCC Commercial Plan: NAB Radio Code Board last week vigorously supported Pres. Collins' fight against FCC proposal to put Code's commercial limitations into Commission rules.

Meeting in Washington, Code directors stated that FCC move "would spell the doom of self-regulation in broadcasting." They said plan would: (1) Cause public to measure stations by number of commercials rather than over-all contributions. (2) "Freeze into govt. fiat" standards which should be readily amendable. (3) Emphasize quantity rather than quality of commercials.

Board appointed committee to study alternatives to current Code time limitations. It also asserted that Radio Code support is greater than critics claim—subscribers having increased 19% in last year, so that 37% of all radio stations subscribe. NAB reported that Code compliance ran 91.7% in spot check of 244 stations, 1,088 hours, in last 10 months.

———■———

Of efforts to weaken NAB—recent abortive attempts by some minor broadcasters—NAB Pres. Collins told Connecticut Bestrs. Assn.: "When I first came to NAB, a few fine broadcasters cautioned that if the individual state associations should grow to be much stronger, they might well pose a threat to NAB and contribute to disunity in our ranks. But in this I did not agree, nor did our boards. In fact, since then, NAB has expended much effort to strengthen measurably our state groups . . . I am not unmindful that from some quarters these days we are getting criticism. I deeply believe in dissent and disagreement; there is room for both within the NAB house . . . Frequently, [the critic] will provide nothing more than . . . emotional appeal without suggesting alternative courses of action."

Guidelines for news media in event of crises short of war, e.g., Cuba, will be issued by Defense Dept. in about 30 days. After closed House Information Subcommittee hearings with Arthur Sylvester, Pentagon News Chief, Chmn. Moss (D-Cal.) said guides would promote coordination among newsmen & govt., help avoid confusion. Guides aren't to be confused with standby voluntary censorship code for all media in event of war, developed by Office of Emergency Planning, sent by NAB vp Howard Bell to broadcasters for consideration.

Bill to prevent FCC from charging fees (Vol. 3:19 p5) —"unless specifically permitted by law"—has been introduced by Rep. Rogers (D-Tex.). FCC's new fees, Rogers said, are based on 1951 Appropriations Act which gave Commission general authority to charge fees. Measure (HR-6697) would amend Communications Act, leaving it to Congress to spell out more precise standards.

NAB's 4th Executive Development Seminar will be held at Harvard U. July 14-26, attended by 66 TV-radio executives. Special attention will be given to: Competitive programming, personnel, budget, selling. Case method technique will be used, research materials supplied by broadcasters.

FCC's existing horse-racing broadcast policy remains in effect pending conclusion of current proceeding designed to tighten rules. Commission so informed Sen. Magnuson (D-Wash.), chairman of Commerce Committee, in response to his query.

HILL PROBES EDITORIALS: Next potentially hot Congressional probe of TV-radio may be hearing on editorializing, planned for July by Rep. Rogers (D-Tex.) and his Communications & Power Subcommittee.

"Many members of Congress," he told us, "feel that the policy of editorializing has been misused by stations." Hearings will examine political "equal time" Sec. 315 of Communications Act and "the general fairness doctrine." Rogers said he has received many complaints from Congress & public, some when Subcommittee was considering lifting equal-time provisions for 1964 Presidential & Vice Presidential campaigns (Vol. 3:21 p5). He said he wants to hear both sides—broadcasters & complainants.

Best guess is that Rogers aims for bill to establish equal-time standards for editorializing.

Hearings could become very touchy, and broadcasters who have gingerly stepped into editorializing may get shy. Incidentally, NAB shortly will issue revised editorializing guidelines.

Investigation will go beyond political candidate issues, is expected to examine reports Birch Society has been getting editorial support from stations after buying time. Subcommittee also seeks answer to: What happens when political & civic groups can't afford to buy time to answer views expressed on paid broadcasts.

Senate Freedom of Communications Subcommittee, under Chmn. Yarborough (D-Tex.), last year recommended FCC speed processing of equal-time & editorial fairness complaints, adopt ground rules for editorializing, etc. (Vol. 2:17 p3).

Kingstree, S. C. "smut" case, now in Court of Appeals after FCC denied license renewal to radio WDKD (Vol. 2:30 p3, et seq.), may be joined by American Civil Liberties Union, which believes FCC has violated freedom-of-speech. ACLU may take position Commission erred in not trying case directly on "obscenity" issue; it rested on findings of "coarse, vulgar, suggestive," etc. Courts always have difficulty defining "obscenity"—which is covered by statute—let alone "coarse," etc., which isn't. ACLU petition to intervene as *amicus curiae* is being handled by Washington attorney Harry Plotkin.

FCC Chmn. Henry's Staff: From Minow's aides, Joel Rosenbloom & John Cushman remain, former shifting from legal asst. to special asst., latter continuing as admin. asst. Coming with Henry from his old office are legal asst. Leonidas Emerson, engineering asst. Bruce Longfellow, confidential asst. Lillian Watson and secretarial staff. Longfellow succeeds Minow's William North who becomes Comr. Cox's engineering asst. Miss Watson succeeds Dorothy Counts who remains with chairman's secretarial staff. Receptionists in chairman's outer office remain: Angie Germaine & Anne Priarone.

Sale of KTTV (Ch. 11) Los Angeles to Metromedia, giving group full complement of 5 vhfs & 2 uhfs, has been approved by FCC. Price is $10,390,000, highest yet for one TV station; radio WMGM N.Y. brought $10.9 million —highest for any station. FCC conditioned Los Angeles sale on whatever finally happens to its efforts to find a vhf for ETV in L.A.

Communications satellite economics will be off-kilter for years, according to RCA Chmn. David Sarnoff, because of tremendous increase in undersea cable capacity through transistorization. Confidential letter from Sarnoff to Communications Satellite Corp. Chmn. Leo Welch—which press obtained—recommended that ComSat law be amended to permit it to buy all existing international communications facilities, giving organization "immediate & solid revenue base." Sarnoff said U.S. should nonetheless continue developing satellite communications for prestige and for need as it develops. According to *N.Y. Times*, ComSat officials aren't enthusiastic about Sarnoff's views, believing both cables & satellites are needed now.

Religious leaders' latest criticisms of TV: (1) National Council of Churches has resolution drafted for a major June 6-8 meeting in N.Y., calling for "strict" FCC regulation of stations, Commission control of networks, "divorcement" of advertisers from "control of program content," FCC-enforced reduction of commercial time. (2) Rabbi Maurice N. Eisendrath, pres. of Union of American Hebrew Congregations, urged a 3-faith conference, with network chiefs present, "to elevate the standards of TV." He said TV "has encouraged the American people to squander our leisure in a sodden, bleary-eyed stupor and to wallow in sticky sentimentality, sadism, callous cynicism, in violence, vileness and vice."

"Economics of Educational TV" special conference May 23-26 at Brandeis U., Waltham, Mass., underwritten by U.S. Office of Education, drew dozens of participants from education, govt. & industry. One-page digests of 17 background papers are available from Brandeis U. news bureau dir. Larry Kane. Full report will be published by Office of Education. American Academy of Arts & Sciences, a co-sponsor, will have summary in special issue of its *Daedalus*. Conference chairman was Louis Cowan (ex-CBS), dir. of University's Morse Communication Research Center; Ralph Garry, Boston U., was project dir.

Death sentence to radio KWK St. Louis—license revocation—was ordered by FCC in 3-2 vote holding licensee responsible for "willful" & "repeated" fraud & deception in treasure hunts and contests. Principals argued that station manager, an employe, was sole guilty party, but Commission said owners' inadequate supervision was fatal. Dissenters Hyde & Lee said punishment was too drastic, that $10,000 fine would have been more justified. Comrs. Bartley & Cox didn't participate. Station was ordered off air by July 29.

Ohio State's 33rd annual Institute for Education by Radio-Television June 12-14 at Columbus includes: Howard K. Smith, ABC; Fred W. Friendly, CBS; Reuven Frank, NBC; Lawrence Laurent, *Washington Post* TV editor; Ted Conant, Ford Foundation; Melvin A. Goldberg, NAB research vp; Robert Weston, FCC Comr. Lee's engineering asst.; Seymour Siegel, WNYC-TV N.Y.; Ned Cramer, WCBS-TV N.Y.; Mike Kizziah, KNXT Los Angeles; John E. Bystrom, HEW Dept.

Cancellation of CP for WHYZ-TV (Ch. 10) Duluth was ordered by FCC—on grounds of unauthorized transfer of control and misrepresentations to Commission. FCC held that the misconduct was inexcusable—even assuming principals of grantee (WDUL TV Corp.) were "otherwise men of excellent character in their community." Vote was 4-0—Comrs. Hyde & Lee abstaining, Cox not participating.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington 6, D. C.
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook
VIRGINIA SNOWDEN, Managing Editor, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director
CHARLES SINCLAIR, Contributing Editor

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

TELEVISION DIGEST. Published Mondays. Services: $75-$150 annually. For group rates & other subscription services, write Headquarters.
TELEVISION FACTBOOK Published Annually
TV & AM-FM ADDENDA Published Saturdays
AM-FM DIRECTORY Published Annually

Personals

Rolland V. Tooke, Group W exec. vp, named exec. vp.-staff & group operations; **Larry H. Israel**, TvAR pres., appointed Group W exec. vp-station operations . . . **Phil Mazur** transferred from ARB's special tabulations dept. to midwest station sales.

Russell W. McCorkle named to new post of asst. controller, Group W, Westinghouse Bcstg. Co. . . . **Morton Slakoff**, ex-WFIL & WFIL-TV Philadelphia, appointed ad & promotion mgr., Allied Artists TV.

Michael J. Roberts, ex-WBC Program Sales vp, named to newly-created post of syndicated program sales dir., Triangle Stations . . . **Stanley Levey**, ex-*N.Y. Times* labor reporter, named CBS News Washington correspondent for labor, economics, business.

Dick Stern, ex-vp, Fletcher Richards, Calkins & Holden, Atlanta, appointed WAII-TV Atlanta gen. sales mgr. . . . **Lee Carlson**, ex-sales development & research dir., ABC-TV Spot Sales, Chicago, named WBKB account exec.

Richard D. Erickson, ex-*Broadcasting*, named TvB creative associate.

Welch, Mott & Morgan law firm is moving to Farragut Bldg., 900 17th St., N.W., Washington 6, D. C.; phone: 296-5151.

—■—

"Spot TV Advertising Cost Summary" has been issued by Katz Agency. In 33rd semi-annual edition, rep provides rate guides in 236 markets for various time classifications & time units. Formulas are provided to help estimate TV budgets. A new formula provides estimated costs for "preceding transition announcement minutes," immediately before evening network time or prime time.

Ch. 13 Grand Rapids should go to Grand Bcstg. Co., according to FCC Examiner Forest L. McClenning whose initial decision recommended denial of West Michigan Telecasts, MKO Bcstg. Corp. & Peninsular Bcstg. Co. He concluded that Grand is superior in broadcast experience and ownership-management integration. The 4 applicants have been operating WZZM-TV on Ch. 13 on joint & interim basis pending final comparative decision. Major stockholders in Grand, with 16.883% each, are: Leonard Versluis Sr., vp, former owner of WLAV-TV Grand Rapids; Mary Jane Morris, secy., formerly secretary of FCC; John Morris, attorney, Miss Morris's brother; pres. and 6.496% owner is Donald DeGroot, asst. gen. mgr. of WWJ-TV Detroit.

Value of foreign syndication to leading film distributors can be judged by sales of 2 major firms—Independent TV Corp. (controlled by Britain's ATV) and Desilu Sales Corp. (offshoot of Hollywood film factory). ITC has grossed better than $5 million average annually for past 5 years outside U.S., climbing rapidly from standing start. Foreign sales for ITC for fiscal year ended recently were 40% higher than previous year. Similarly, Desilu sales mgr. Richard W. Dinsmore points to $5 million gross in foreign telefilm market last year. Other firms whose foreign sales are at least as big as those of ITC and Desilu: CBS Films, MCA, Warner Bros., and UA-TV.

P&G has been toppled from its spot as leading TV spender in cosmetics-toiletries category (although not from listing as top over-all TV client) by upstart Alberto-Culver. TvB analysis of 1962 network & spot spending showed A-C jumping to lead in cosmetic field with billings (gross time) of $24.4 million as against 1961 level of $12.3 million. P&G was runner-up. Combined TV spending in cosmetics industry increased by 33.1% in 1962. A-C is virtually a TV-built phenomenon; more than 99% of its budget goes to wide variety of TV buys.

Gift of $100,000 to ETV WHYY-TV Philadelphia has been made by CBS, bringing network's ETV contributions to about $1.3 million. Recently, Triangle Publications donated facilities of WFIL-TV, worth $1.5 million, to WHYY-TV, after WFIL-TV moves to new site (Vol. 3:17 p5).

Brig. Gen. David Sarnoff will be intermission speaker in first program of new NBC Radio series, *Toscanini—The Man Behind the Legend*, which starts June 5. RCA chairman was responsible for bringing Toscanini back to America from semi-retirement in Italy to conduct NBC Symphony Orchestra 1937-1954.

"The Kremlin." NBC's well-received documentary, will be repeated in unusually quick time, June 4, 7:30 p.m., only 2 weeks after original telecast. Re-run gives children chance to see hour show first aired at 9:30 p.m.

Allocation plan for Africa, providing for 7,000 TV stations, has been approved by ITU conference of African telecommunications officials, meeting in Geneva. Group agreed upon CCIR 625-line standards for Africa.

ETV's WHYY-TV Philadelphia & New Jersey's proposed Ch. 77 in Essex County are to be linked by microwave to provide live network for area.

ABC International TV has been named program & sales rep for XHTV Mexico City & its 2 repeaters—Ch. 7 Paso de Cortes, Ch. 6 El Zamorano.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

INDUSTRY SHUNS $399.95 COLOR: Major TV manufacturers indicated no inclination last week to go along with Admiral's move in pushing color prices down to $399.95 for black metal table-model price leader (Vol. 3:21 p7). However, there were some signs that they would meet it halfway—say at $449.95.

To say set makers were disturbed is putting it mildly—they were downright hostile. Admiral's action had everyone rechecking his figures. Their conclusion: It can't be done (profitably, that is). Assumption in industry, yielding some comfort, is that margins for distributors & dealers on this leader model are extremely short—so short that many will hesitate before pushing it.

We've noted in previous issues that RCA, Philco & Zenith—only others who have introduced color lines to date—have included no low-end black metal table models, choosing instead to upgrade product and give more for money within $495-&-up framework, possibly holding out black table model until later, after competition shows lines. Two weeks ago, we speculated that color table model leaders would come in at about $450 (Vol. 3:20 p8). We see no reason to alter this opinion.

Admiral was silent on facts, figures & quantities. Major color lines not yet introduced (aside from Sears' Silvertone) are now narrowed down to one: GE, due next week.

TV manufacturers, almost unanimously, were reluctant to be quoted—because they hadn't yet decided what to do. But they were vociferous enough. They didn't like what was happening.

"It doesn't take any great artistry to cut prices," said one, "just a pencil. We have a good new product to sell the public on the basis of performance. This is the only industry where people like to kill a good thing before it gets started."

"This move is strictly for traffic," said another. "I think everybody else will be in at the same price to keep Admiral from getting distorted floor traffic. It really had to happen." This manufacturer added: "We're really more concerned about their remote-control models at only $30 additional than we are about the leader color model at $399.95."

"This industry likes to kill the goose before he lays the egg, golden or otherwise," said high officials of another company. "It's a problem for everyone—we have to face it like we've faced other competitive situations. We can't be out in left field, even if everyone gets killed. We don't have to get all the way down in the gutter, but we do have to be concerned about what our competition is doing."

This "halfway into the gutter" approach was reflected by several others, and their favorite allusion was the $139.95 portable. RCA was silent, but was adding up figures like everyone else and obviously considered Admiral's move unrealistic.

The one man who always speaks out, Zenith Sales Corp. Pres. Leonard C. Truesdell, was unequivocal: "This is an unpractical, unbusinesslike approach," he told us. "In a business as new as color, is it advisable to squeeze your dealers & distributors to the point where they don't make a buck?"

There have been no cost economies in color, he pointed out—no "changes, no inventions which reduce the cost of color sets. We have no intention of asking our retailers and distributors to give up their profits. We will not follow that approach." He added that Zenith had no intention of introducing new lower-end color set or reducing prices of existing leader. "Dealers won't go for it any more than they went for transistor radios at $1 markup."

While maintaining silence on specific issue of color, RCA reiterated its view that its business aims include "good profit for distributor & dealer, good value for consumer."

What does it all add up to? Everybody knows cost of producing a color set, and assumes Admiral has done a mighty job of shaving costs & margins for sake of building traffic. Feeling is that some dealers will rebel. But there's also inclination to meet Admiral halfway, offer that "missing" black metal table model at $449.95—not immediately, perhaps in fall. Some manufacturers may even meet Admiral's price before year is out—but don't hold your breath.

RADICAL CHANGES IN TV'S MIX: Entire concept of TV is now undergoing its sharpest change in history—even more radical than "portable revolution" of 1955-56. Most important influences in this new revolution are color, "personal TV" (16-in. & smaller) and imports.

Evidence of the new revolution's first effects is provided by average price of black-&-white TV set, which slipped last year to $126.61 at factory—an all-time low, even lower than that rock-bottom 14-in. year of 1956. Here is table showing evolution of factory price (before excise tax) of average b&w set since 1947:

1947 ..... $279.34	1951 ..... $177.70	1955 ..... $138.20	1959 ..... $141.19
1948 ..... $235.90	1952 ..... $172.08	1956 ..... $127.06	1960 ..... $144.62
1949 ..... $193.33	1953 ..... $170.50	1957 ..... $130.14	1961 ..... $135.21
1950 ..... $180.88	1954 ..... $140.00	1958 ..... $135.75	

Portable & table models increased their percentage of distributor sales market last year to 64.1%, eclipsing 1956's all-time high. Consoles dropped to all-time low of 31.5% and combinations climbed to record of 4.4% of distributor sales. Here's breakdown of distributor-to-dealer unit sales since 1952:

Year	Table-Portable	Console	TV-Phono Comb.
1952	45.7%	50.4%	3.8%
1953	45.5%	51.5%	3.2%
1954	55.6%	42.9%	1.5%
1955	57.2%	41.2%	1.4%
1956	62.7%	36.2%	1.1%
1957	60.6%	37.8%	1.6%
1958	56.8%	40.7%	2.5%
1959	55.5%	41.3%	3.1%
1960	56.9%	39.3%	3.8%
1961	58.9%	37.2%	3.9%
1962	64.1%	31.5%	4.4%

With introduction of new "personal" TVs at $99.95, with 16-in. expected to total 10% of market and gradually nestling into lower price categories, with increasing emphasis on color—trend toward lower average b&w prices and even greater proportion of portables is bound to continue. For first 15 weeks of 1963, portable-table category has captured 68-70% of total b&w unit distributor sales. Console sales are 16% behind last year's comparable figure, but combinations are 7% ahead.

These figures aren't alarming—just a fact of life. Business is excellent. Distributor sales of black-&-white TVs haven't been below 6.5 million-a-year rate any month this year. And a mere statistical quirk causes illusion that TV prices are plunging.

Fact is that these figures ignore large part of TV market. Because they're based on EIA data, they don't include color (Vol. 3:20 p13). If full spectrum of U.S. TV production & sales were included, average factory price of set in 1962 would have been at least $140, and color unit sales would have represented about 6% of total distributor sales of 6.8 million—considerably larger portion of market than b&w TV-phono combinations.

It's only the beginning of vast changes. With color at high end and tinyvision at low end, an 8-million-set year in 1964 is conceivable—with over-all average factory price level staying around $140.

PARTS DISTRIBUTORS TOPPED $1 BILLION IN 1962: Nation's electronic parts distributors pushed sales volume over billion-dollar mark for the first time last year, recently completed study by National Credit Office's Market Planning Service shows. Sales rose 9.9% to record $1,040,461,000 from 1961's $940.3 million (Vol. 3:19 p8). Number of distributors also increased—to 1,787 from 1,770 at end of 1962's first quarter.

Dealer-servicemen continued as primary customer group in 1962, but percentage of total slipped to 51.7% ($538.2 million) from 56.2% in 1961, 58.7% in 1960. Industrial & govt. customers accounted for 37.5% ($390.1 million) of total sales—up from 1961's 34.3%, 1960's 32.5%. Consumers continued to account for increasing share of sales with 10.8% ($112.2 million) of total—up from 9.5% in 1961, 8.8% in 1960.

Components, to no one's surprise, were major volume producer. They also represented only product category to show percentage improvement from 1961. Components accounted for 42.5% of 1962's total $1.040 billion—up sharply from 38.3% in 1961. Tubes ranked 2nd in sales parade—but this category's 25.6% was down from 1961's 28.9% share of total. Other product sales percentages (vs. 1961 performance): TV accessories, 8% (8.8%); sets & devices, 14.4% (14.4%); batteries, 4.1% (4.1%); test equipment, 3.2% (3.3%); tools & manuals, 2.2% (2.2%).

Nearly 1/3 of 1962 business (32%) was done by only 3% of total 1,787 distributors. Each distributor in this 3% group had annual parts sales of more than $2.5 million. Here's size breakdown of the 1,787 distributors & their share of 1962 business: Largest group—31% of total—embraces distributors with $100,000 to $249,000 volume. They did 11% of total volume. In 1961, this volume group represented 33% of total distributors, did 12% of business.

Other size-volume breakdowns, in order: Under $100,000, 22% of distributors, 3% of business; $250,000 to $499,000, 22% of distributors, 14% of volume; $500,000 to $1 million, 13%, 17% of business; $1 million to $2.5 million, 9% of distributors, 23% of volume; over $2.5 million, 3% of distributors, 32% of volume. In 1961, 9% of total distributors had annual sales of more than $1 million, did 50% of volume. Last year, 12% were "millionaires" & represented 55% of total 1962 parts sales.

TV-RADIO PRODUCTION: EIA statistics for week ended May 24 (21st week of 1963)

	May 18-24	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV	124,193	130,302	109,361	2,794,993	2,449,685
Total radio	362,941	366,198	332,149	6,927,009	7,542,572
Auto radio	141,623	155,058	125,798	3,086,347	2,642,473

Color TV servicing presents few problems, an RCA Service Co. official told International TV Symposium at Montreux, Switzerland. Consumer products service vp L. G. Borgeson recited these facts about RCA Service's color experiences: (1) 70% of company's consumer calls are for TV set service—40% b&w, 30% color. (2) During last 4 years, b&w service calls decreased 20%, color 40%. (3) Average work time on home color service calls is only 11% more than b&w; in the shop, differential is 14%. (4) Same percentage of color and b&w sets can be repaired in the home.

Exemption from all-channel-set rules—covering receivers used for in-school instruction—has been granted by FCC, as expected (Vol. 3:18 p2). Exemption affects sets made up to April 30, 1966. Commission denied all other exemptions sought for institutional users. Thus, vhf-only sets may be shipped to schools; cartons must be marked "For In-School Use Only".

Triple-play sound recording tape has been introduced by Minnesota Mining, with 3,600 ft. on 7-in. reel, 50% more than normal double-play tape. Tape was made possible by development of new ultrathin oxide coating. It's priced at $11.95 per reel.

TV system for the blind, bypassing human eye and sending electronic impulses directly to brain, was advanced as possible future development by Dr. Allen B. Du Mont in keynote address to 3rd International TV Symposium at Montreux, Switzerland. Discussing TV "25 years from now," Dr. Du Mont forecast pocket TV receivers, home electroluminescent screens in every room connected to master receiver, 3-D TV with stereophonic sound, multi-lingual multiplexed sound for telecasts, TV tape recorders which automatically record programs when owner isn't home. Military TV will no longer exist in 1988, he predicted—"because there will no longer be military establishments." He added: "We will have either gone too far with our nuclear lunacy, or the essential problems of peace & mutual existence will have been solved."

Battery-operated vhf-uhf TV-FM receiver was shown by Lowe Opta at West Germany's Hannover fair. Set weighs 16½ lb., has 10-in. screen, can be operated on AC as well as battery. It has 31 transistors.

Sylvania's factory TV sales for first 4 months of 1963 were 15% ahead of same 1962 period, while stereo sales were up 12%, Sylvania Home & Commercial Electronics Corp. Pres. Robert J. Theis announced last week.

NEW SETS—ZENITH & OTHERS: Closer look at Zenith's complete line, full details of which were released last week, confirms more-for-the-money character of lower part of its color & b&w lines (Vol. 3:21 p7). It also confirms truth of old saying that Zenith is "staying out of the bargain basement," because—mixed with the reductions—there are also some definite price increases.

Although Zenith's lines are long, there are fewer Space Command remote-control models—in fact, no remote b&w combinations—possibly in anticipation of confused remote situation with all-channel sets. (Zenith did, however, introduce new turret tuner which can accommodate 12 strips in any combination of vhf & uhf.)

Color line, which starts with grained vinyl-clad consolette at $499.95 and lowboy console at $549.95—both $50 below last year's corresponding models—steps up to first wood veneer sets at $599.95. This is entire new series of attractive compact consoles, apparently $95 below first wood-cabinet (but not comparable) sets last year. Space Command begins in new line with $699.95 version of compact set (first remote color set last year was $649.95 metal consolette). Top of regular color line is $875, Space Command color line $1,025. There are 2 color combos—$1,300 and $1,775, latter with remote control. Corresponding prices in preceding line for color combos were $1,245 & $1,750.

Black-&-white line starts, as noted, with 16-in. at $149.95 and $159.95 step-up. The 19-in. portable line also begins at $149.95, going to $209.95 in $10 steps (last year highest non-remote portable was $229.95). Remote 19-in. portables are $229.95 & $249.95. Table model line (23 in.) beginning at $189.95, is relatively unchanged, except for addition of $199.95 step-up in place of last year's $209.95. Remote 23-in. table models start at $249.95, $10 lower than last year. B&w console prices are similar to last year's, except that remote consoles start at $329.95, up $10. B&w combos start at $514.95 with conventional AM-FM (vs. $499.95 last year) and at $595 with AM-FM-stereo. Top of combo line is now $650 (vs. $750 for manual, $925 for remote). Highest console with remote is now $419.95, compared with last year's top of $495.

Prices in phono line are virtually unchanged, Zenith apparently being in mood to consolidate last year's gains in this category.

* * * * *

Other new set introductions:

RCA Service Co. announced 2 new 19-in. hospital sets with wired remote control.

Webcor unveiled unique 11-oz. pocket tape recorder, measuring 3 x 5 x ⅞-in., operating on rechargeable batteries, playing new tiny cartridge tape (developed by Ferrodynamics) at 1-in. per sec. It will list for $149.95.

Panasonic began sales campaign for its portable 19-transistor battery-powered AM-FM-stereo 2-piece receiver at $175.

Hitachi 16-in. portable at $129.95 is now in distribution by Sampson Co., Chicago.

Arvin has entered tape recorder field with 3 models at $99.95, $169.95 & $229.95.

New **Sony** line of 7 recorders, all fair-traded, was shown last week by U.S. distributor Superscope Inc. Prices range from $119.50 (deck only) to $450.

Emerson TV-radio-phono & Telectro recorder lines will be shown at distributor convention June 17-19 at Miami Beach's Americana Hotel. **Du Mont** lines will be introduced later at regional meetings in N.Y., Chicago & Los Angeles.

'Orderly' Japan TV Exports: Japan's desire "to maintain an orderly market for TV sets in the U.S." was evident in 2 separate actions last week: (1) Japanese govt. added TV receivers to list of goods for which export licenses are required, thereby giving govt. advance notice of types, prices & quantities of shipments, and paving way for possible export controls, quality stabilization or minimum price standards. (2) Mineo Sakai, EIA of Japan business mgr., arrived in N.Y. on mission whose first priority was examination of TV market.

"A main goal for me during my visit," he told trade press on his arrival, "will be to determine what, if any, action or combination of actions our industry could take to insure continued stability of the American market for Japanese TV." He will meet with importers, manufacturers, customs officials and others.

Also on Sakai's agenda is quest for "equitable solution of the difficulties involved" in U.S. Customs' valuations of Japanese transistor radios above invoice prices for purposes of levying duties.

Sakai's announced drive to upgrade tape recorders exported to U.S. will begin this week. "Experience has shown," he said, "that low-cost [toy tape recorders] have not satisfactorily withstood the abuse to which they are often subjected in the hands of children. Therefore, effective June 1, tape recorders will be required to pass considerably toughened export inspection."

Meanwhile, last major holdout among U.S. set manufacturers against Japanese parts — Zenith — had 6-man team inspecting facilities & products of Japanese plants for possible buys in components. Zenith's decision to consider foreign parts was reported in these pages 2 months ago (Vol. 3:13 p8).

———■———

Use of TV as ad medium by TV manufacturers will be spotty again next season, although color programs may attract more set makers, according to roundup in May 27 *Sponsor*. Highlights: RCA, co-sponsor of *Walt Disney's Wonderful World of Color* on NBC, spent more than $1 million on that show last year, and this year reportedly will earmark even more for network TV. Philco will spend $750,000 on 4 hour-long ABC documentaries in 1963-64 season. Emerson sees "possibility" of using TV next fall. Motorola, which sponsored specials last year, has TV "under consideration." Westinghouse is out of network TV now, but also may return. Zenith will repeat its co-sponsorship of *World Series of Golf* in color on NBC this year. GE cut back network TV this season, but will be back "with a good-sized budget" for 1963-64, including colorcasts this year of *GE College Bowl* on NBC. Spot TV is on most TV manufacturers' approved list for co-op ad media.

Trade Personals

Luther M. (Sandy) Sandwick resigns July 1 as EIA consumer products staff dir. Former Pilot Radio sales vp had been in newly created post since Jan. 1962 (Vol. 1:14 p7). His future plans were not disclosed, successor has not yet been named.

George A. Bradford, ex-GE, joins Westinghouse TV & Radio Div. as mktg. mgr.

Sidney Metzger, ex-RCA satellite communications expert, named components development & systems research mgr., Communications Satellite Corp.; **S. H. Reiger**, ex-RAND Corp. senior staff member, appointed systems analysis mgr.; **Edwin J. Istvan**, ex-Air Force Office of Space Systems, named technical asst. to Pres. **Joseph Charyk.**

John W. Craig, onetime Crosley, resigns as Westinghouse vp & consumer products group special accounts gen. mgr., to join Hupp Corp. in new post of vp & assistant to pres.

C. Raymond Smith, former Western Electric vp, elected Martin Marietta vp.

Wayne Etter appointed pres. & gen. mgr. of P. R. Mallory's Mallory Capacitor Co. Div. . . . **S. Wellford Corbin**, GE industrial sales operation gen. mgr., elected a vp.

Joseph A. DeMambro, DeMambro Radio Supply, Boston, elected National Electronic Distributors Assn. chmn.; **V. N. Zachariah**, Zach Electronics, San Francisco, re-elected pres.

Giichi Hirata named vp, consumer goods, Hitachi N.Y. Ltd. . . . **Fumio Iwashita**, Toshiba pres., re-elected pres. of EIA of Japan. **Konosuke Matsushita**, chmn. of Matsushita, and **Izumi Kuboki**, Japan Radio Co. pres., elected vps; **Hiromi Kono** re-elected managing dir.

K. G. Summerville, sales mgr. of Deilcraft Furniture Div. of Dominion Electrohome, elected chairman of Canadian Home Furnishings Institute . . . **Charles C. McGregor**, formerly with receiving tube operation, named industrial relations mgr., Sylvania picture tube operation, succeeding **Henry S. Prisby**, transferred to Lighting Products Div.

A. Bruce Rozet, ex-vp, Electra Megadyne's GENCOM Div., Capitol Records subsidiary, joins Stanford Research Institute as a senior staff member.

W. Rogers Hamel, Robert E. Sonnekson, John G. Stobo, A. V. Schene appointed Raytheon vps.

Mergers & acquisitions: Lynch Corp. shareholders have approved acquisition of **Cox Instruments** (Vol. 3:21 p11); merger is expected to be completed by end of June • **GPE & Radiation Inc.** have dropped their merger talks (Vol. 3:18 p11). • **Macfadden-Bartell** has purchased for more than $2 million Fawcett Publications' *True Confessions* and *Motion Picture* magazines • **Electronic Assistance** shareholders have approved acquisition of **Ideal Brass Works** for $2.8 million in cash & stock (Vol. 3:15 p12).

CBS is not preparing stereo starts soon in San Francisco, Los Angeles & St. Louis. CBS officials state that report of readiness is incorrect (Vol. 3:20 p10 & 11).

Gas-operated TV sets are here. Sony will offer portable gasoline generator, developed by Honda Motors, as optional power source for its Micro TV in Japan.

Controversial "Project West Ford" appears to be off to successful start. Some 400 million tiny 8,000-mc copper dipoles, weighing 50 lbs., were orbited some 2,000 miles above earth, are now spreading, will in month or so form ring around earth—with dipoles about ¼ mile apart—serving as reflectors of earth-originated transmissions. Similar Oct. 1961 effort failed when dipoles failed to disperse. Some scientists argue that dipoles will interfere with reception of outer-space-originated signals used by radio-astronomers. Dipoles are expected to be pushed into earth's atmosphere by sun rays within 5 years, burn up & disappear. Early Air Force tests were reported "successful"—with radar, radio, voice, teletype, digital data.

TelePrompTer plans to sell its electronics manufacturing operations at Cherry Hill, N.J. to "private group of investors" for terms to be announced following SEC approval of transaction. Manufacturing operations, embracing Weathers hi-fi equipment, audio-visual products, magnetic tape cartridges, represent some $2.5 million or about 40% of TelePrompTer's anticipated 1963 sales. Pres. Irving B. Kahn said businesses to be sold are "doing fairly well" but "the timing is not in our favor." Noting "current profitability & growth rate" of CATV & "tremendous potential" of pay TV, Kahn said these activities "require the undiverted focus of our management." If SEC approves transaction, company will seek stockholder approval for sale at July annual meeting.

Ampex earnings in 1963 fiscal year ended April 30 climbed to "a shade over $5 million" from $3.2 million in fiscal 1962 on sales rise to $93.7 million from $84.1 million. Pres. William E. Roberts said fiscal 1964 should produce sales rise of "better than 10%" & "substantially" faster climb in profits. Ampex plans to introduce "at least another 2 dozen & hopefully 2½ to 3 dozen" new products in new fiscal year, Roberts said. Order backlog currently is $39 million, up from $29.8 million at close of preceding fiscal year. Foreign sales accounted for 18.5% of volume. up from 17% a year earlier. Goal this year: 20%.

Texas Instruments expects 1963 sales to set record earnings to reverse downward trend of preceding 3 years. Order backlog May 1 was up 14% from start of year, to record $125 million from $110 million, Pres. Patrick E. Haggerty told Chicago Investment Analysts Society. Noting that profit decline resulted from severe competition & price cutting in semiconductor field, he said that some "stabilization" has developed in recent months. Industry this year, he forecast, will produce ⅓ more transistors than in 1962, dollar sales will rise about 12%.

General Instrument wound up 1963 fiscal year Feb. 28 with $2.7 million loss (see financial table) but company believes "turn-around in fortunes" is now underway. Loss year resulted largely from heavier-than-anticipated costs on military & govt. systems contracts. Chmn. Martin H. Benedek & Pres. Moses Shapiro noted that GI's entertainment electronics operations "did well and the current year should show further gains," principally because of new all-channel law. GI, they said, already is experiencing "a significant increase" in tuner business.

Rek-O-Kut, Corona, N.Y. manufacturer of hi-fi equipment now in Chapter 11 proceedings (Vol. 3:21 p10), was continued in operation without indemnity at hearing before Referee Sherman D. Warner, Jamaica, N.Y. Next hearing: June 5, 2 p.m.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Allied Radio	1963—9 mo. to Apr. 30	$ 48,528,000	—	$ 969,317	$0.88	1,065,098
	1962—9 mo. to Apr. 30	39,713,000	—	1,081,340	.98	1,019,739
	1963—qtr. to Apr. 30	16,051,000[4]	—	330,553	.30	1,065,098
	1962—qtr. to Apr. 30	13,756,000	—	357,351	.32	1,019,739
Audio Devices	1963—qtr. to Mar. 31	1,899,050	$ 249,880	123,480	.14	868,371
	1962[1]	—	—	—	—	—
Emerson Radio & Phonograph	1963—26 wks. to May 4	—	1,765,082	847,282[2]	.37	2,270,497
	1962—26 wks. to May 5	—	2,142,485	1,140,910	.50	2,270,497
General Instrument	1963—year to Feb. 28	83,392,743	(5,906,978)	(2,702,281)[2]	—	2,570,401
	1962—year to Feb. 28	86,541,415	1,812,147	1,043,965	.42	2,492,558
H & B American	1963—9 mo. to Apr. 30	3,317,390	—	93,184	.04	2,575,160
	1962—9 mo. Apr. 30	2,777,796	—	27,861	.01	2,575,160
Movielab	1963—qtr. to Mar. 31	1,747,468	—	83,585	.25	341,010
	1962—qtr. to Mar. 31	1,685,314	—	97,235	.29	328,034
Schlumberger (Daystrom)	1963—qtr. to Mar. 31	72,068,000	8,468,000	4,574,000	.85	5,333,587
	1962—qtr. to Mar. 31	61,090,000	8,781,000	4,956,000	.93	5,333587
Terminal-Hudson Electronics	1963—qtr. to Mar. 31	3,611,544	—	55,989	.05	1,026,804
	1962—qtr. to Mar. 31	3,504,091	—	66,600	.06	1,026,804
Transistor Specialties	1963—6 mo. to Jan. 31	558,502	276,439	13,783	—	—
	1962—6 mo. to Jan. 31	202,719	39,620	(129,660)	—	—

Notes: [1] Not available; quarterly reports not previously issued. [2] After $3.2 million tax credit. [3] Before "substantial" non-recurring gain from sale of 86%-owned Emertron subsidiary to Litton Industries (Vol. 2:47 p11). [4] Record.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Amphenol-Borg Elec. ..	Q	$0.20	June 28	June 14
Arvin Industries	Q	.25	June 29	June 10
Bendix	Q	.60	June 29	June 7
GE	Q	.50	July 25	June 21
Rollins Bcstg.	Q	.10	July 25	June 25
Springfield TV Bcstg...	Q	.10	June 15	June 1
Times-Mirror	Q	.12½	June 24	June 7
Trans-Lux	Q	.15	June 28	June 14
Wells-Gardner	Q	.30	June 15	June 7

Varian Associates' fiscal-1963 earnings will drop from year-ago's $4.2 million because of industrywide decline in demand for microwave tubes, Pres. H. Myrl Stearns told San Francisco Security Analysts. "It is currently thought that the demand for microwave tubes is off 30% this year," he said. "This estimate is borne out by our order receipts." Microwave tubes account for some 65% of Varian Associates' sales.

TV-Electronics Fund net assets totaled $379,807,557 April 30—down from $401,094,540 a year ago. Net assets per share slipped to $7.48 from $7.83, capital shares declined to 50,804,824 from 51,193,461.

TV Shares Management Corp. has been re-named Supervised Investors Services Inc. to reflect long-range program to broaden operations. Company will continue as adviser & distributor for TV-Electronics Fund.

Westinghouse will pay govt. $800,000 in out-of-court settlement of civil damage suit arising from 1961 price-fixing case involving heavy electrical equipment.

Hallicrafters expects earnings in the 9 months to May 31 to run 5-10% ahead of year-earlier's $1.3 million. For total fiscal year ending Aug. 31, Pres. Robert F. Halligan forecast, earnings should be "up slightly" from fiscal-1962's $2 million on sales "about the same" as year-before's $66.7 million. Hallicrafters consumer products now account for 35-40% of total sales, he noted, and "we're very confident civilian orders will exceed last year."

Retail Dealers' Merchandising Committee has been established by manufacturer Victor Co. of Japan and importer Delmonico International to help develop new consumer electronic products for sale in U.S. The group of U.S. dealers is meeting with Victor officials in Tokyo & Yokohama.

Tung-Sol was ordered by FTC examiner to cease price discrimination in sales of automative flasher equipment to jobbers & warehouse distributors. Subject to review by Commission, order relates to 20% discount given distributors & to rebates given competing customers for quantity purchases.

GT&E is now fully listed on Pacific Coast Stock Exchange, as well as on N.Y. Exchange. Listed were 79,524,086 shares, 75,317,841 of which are issued & held by more than 407,000 shareowners. GT&E ranks 5th among companies traded on N.Y. Exchange, topped only by AT&T, General Motors, Standard Oil of N.J., GE.

Harvey Radio sales rose 3.7% in fiscal-1964's opening quarter, ended April 30, to record $1,778,926 from $1,716,265 a year earlier. Earnings figures will be released in several weeks. Chmn.-Pres. Harvey E. Sampson forecast record sales & earnings for fiscal year.

WEEKLY **Television Digest**

with

Consumer Electronics . . . (starts page 7)

JUNE 10, 1963 NEW SERIES VOL. 3, No. 23

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

CATV REGULATION—A STATUS REPORT on FCC-NCTA negotiations. Commission hand strengthened by court. NCTA willing to give more ground, but FCC staff urges tough line (p. 1).

FCC SELF-RESTRAINT in programming area urged by new Comr. Loevinger. He puts faith in diversity of program sources, sees nothing wrong in 'fair' Omaha-type hearings (p. 2).

RATING REFORMERS NAMED, OTHER MOVES: NAB announces broadcaster-network members of Rating Council, RAB picks Audit & Surveys Co. radio plan, ARB tests radio service, Pulse sets up advisory committee (p. 3).

MINOW SAYS 'REVAMP FCC' by having single Administrator set policy, an Administrative Court handle adjudication. 'Court' concept has growing support; Congress isn't likely to buy Administrator (p. 4).

TELEMETER COST PARAMOUNT $1,361,000 last year without any return, stockholders are told, but expenses this year are considerably lower; Paramount considering direct leasing of post-'48 movies to TV (p. 5).

HILL SPOTLIGHTS EQUAL TIME: Senate Commerce Committee to hold June 26 hearings on '315' suspension, House Commerce minority issues blast against broadcasters (p. 6).

Consumer Electronics

MORE NEW LINES stress more-for-the-money, furniture style, innovations. 'New Sylvania' shows redesigned & re-engineered sets; other new items from Admiral, GE, Olympic, Packard Bell (pp. 7 & 10).

NEW ANTI-IMPLOSION SYSTEM for picture tubes, Corning's 'Shelbond,' to be shown to tube makers this week; process uses no external safety glass, but is said to differ significantly from Kimcode process (p. 7).

FTC OPENS 'DECEPTIVE PRICING' HEARINGS TODAY, seeks industry reaction to proposed changes in guide rules & use of word 'free' in ads; Better Business group approves present rule on use of 'free' but wants offer limited in time (p. 8).

MASS MERCHANDISERS MASS for fair trade fight. Newly formed National Assn. of Mass Merchandisers, now representing discounters in 31 states, argues against S-774 Quality Stabilization Bill before Senate Commerce Subcommittee (p. 8).

COMMERCIALIZATION OF CHROMATRON color tube should be undertaken by combine including Paramount and other firms, management consultant concludes after 20-month study; negotiations reported under way (p. 11).

CATV REGULATION—A STATUS REPORT: Day of federal govt. regulation of CATV appears to be coming closer. As members of National Community TV Assn. meet in Seattle's Olympic Hotel for annual convention June 10-14, CATV industry faces an FCC with position greatly strengthened by Court of Appeals' "Carter Mountain" decision (Vol. 3:21 p4).

Effects of decision were seen last week in meeting of FCC & NCTA committees to discuss possible federal legislation giving Commission regulatory powers. Originally (Vol. 3:17 p2), NCTA was willing to accept law giving FCC power to regulate CATVs in communities with one TV station—only. In meeting with FCC June 4, NCTA representatives first offered: Let proposed law permit FCC to establish rules covering one-station markets—but let Commission regulate CATVs in markets with 2 or more stations only after case-by-case formal proceedings in which it would have to be proved that stations would be hurt.

There was discussion—but no agreement. After meeting, to FCC's surprise, NCTA group came back, giving ground. CATVs said, in effect, "OK, we'll go for rules that allow you to forbid simultaneous duplication, on our cables, of programs offered simultaneously by stations in multi-station markets." This was quite a concession.

But Commission hasn't bought it, probably won't. Staff has recommended against it, claiming FCC now has power it needs. Staff thinking (mainly by Broadcast Bureau Chief James Sheridan & Deputy General Counsel Henry Geller) is that "Carter Mountain" decision immeasurably bolstered FCC's hand. Decision held that FCC has complete authority to withhold grants of microwave systems if it believes microwaves would bring in enough out-of-town programming to jeopardize local stations.

According to NCTA, about one-third of all CATV systems in U.S. are served by microwaves, and both FCC & industry believe that future growth of CATV is heavily dependent on microwave.

Not generally known is fact that staff has suggested 3 moves to Commission, and FCC has told staff it's interested in studying them: (1) Finalize proposed Business Radio rules which would give microwaves to CATVs—if latter agree not to duplicate local-station programs 30 days before or after they're telecast locally. (2) Propose new common carrier microwave rules with same conditions. (3) Move to assert, flatly, that FCC already has complete jurisdiction over all CATV systems—under Communications Act. If FCC so decides, moves (1) & (2) above wouldn't be needed. It's possible, but not certain, that FCC majority can be mustered for the "assert-complete-jurisdiction" principle; if it is, next question is whether CATVs will fight in courts and whether they'll win.

Fact is that CATV suffered severe blow in court decision. Until it came (unanimously), there seemed to be stalemate—largely because Rep. Harris (D-Ark.), chmn. of Commerce Committee, so obviously favors CATV, meaning FCC could never get law it wants without CATV acquiescence. But Commission now has industry by its microwaves—and there it stands.

There was no acrimony in last week's meeting. Discussion was friendly. FCC's committee comprises Comrs. Bartley, Ford & Cox. NCTA's committee included Chmn. A. J. Malin, Glenn Flinn, Robert Clark, Martin Malarkey, Bruce Merrill, Gene Schneider, Archer Taylor, plus attorneys Robert L'Heureux, E. Stratford Smith & Thomas Dowd—the last a newcomer to group, representing big RKO General. NCTA committee spoke for itself, didn't represent final word of NCTA board; latter has the tough job, in Seattle this week, of deciding: "What next?"

FCC SELF-RESTRAINT URGED BY LOEVINGER: It certainly isn't easy to dope out new FCC Comr. Lee Loevinger, after his appearance before Senate Commerce Committee last week. (He was confirmed quickly by Senate, will be sworn in June 11 by Supreme Court Justice Byron White.)

When it comes to FCC actions in programming, Loevinger's watchword is "restraint." Time & again, he said Commission should "exercise restraint." On other hand, he seemed to find nothing wrong with Omaha-type hearings—"if they're conducted fairly & properly."

Here's more of his thinking: "Censorship has to do with pre-publication control. FCC has no business in that. But FCC has a public-interest duty because stations have a quasi-monopoly. It challenges the judgment & conscience of the FCC. My position is to exercise restraint rather than go too far. There's less danger in restraint than in exercising too much power." The best regulator, he said, "is to have such diversity of ownership that there's real competition . . . FCC shouldn't impose its tastes on the public—any more than someone should impose his tastes on me."

Asked whether there's too much violence on TV and whether FCC should do more "monitoring" of programs, he said: "My private solution is—don't watch them. This would be a much less attractive job if you're going to have to watch TV all day long. But we shouldn't disregard complaints of the public . . . If a man promises classical music, then gives horse racing—then FCC can question licensees."

Loevinger was asked whether stations & networks are better judges of local needs "than govt. officials." Loevinger said: "Stations are—but I have a question about networks. There are only 2 dominant networks. We need diversity of programming & control."

Vhf drop-in proponents took heart from his comments: "I feel strongly about the maintenance of competition. I notice little problem in radio. A large part of the problem in TV is that there have been only 12 channels . . . Vote was 4-3 [against drop-ins]—so I shouldn't attempt to indicate my thinking now. I should study the record." Senators Monroney (D-Okla.) & Scott (R-Pa.) were particularly unhappy about FCC's turndown of drop-ins, Monroney complaining about Commission's change of mind over the years. Herewith are Loevinger's views on other matters:

(1) Fairness in news coverage of candidates: Loevinger said he was instrumental in getting Minneapolis newspaper to accept judgment of a special board which evaluated news reports—only such board in country.

(2) Editorializing: "I believe it's working reasonably well. We should always be concerned about the workings of such a powerful medium."

(3) License fees: Hadn't studied subject—but it's "my general observation" that Congress shouldn't set precise fees because "there's too much detail involved."

(4) FCC limits on commercials: Haven't studied that.

(5) Option time: Agrees with FCC decision.

(6) Newspaper ownership: Where there are competing applications, "other things being equal, I'd favor the non-newspaper." Problem is "more serious" in community with one newspaper & one station under same ownership.

Loevinger so often said that FCC should exercise "restraint" in program field that Sen. Cotton (R-N.H.) finally said: "Your predecessor [Minow] made a lot of noise—had a good effect. I feel you may be the complete antithesis to your predecessor."

"You may be right," Loevinger responded. Then, he went on, FCC should be "more active & aggressive" in developing more sources of programs. "My whole instinct is restraint—even where FCC may have legal powers."

"You sound a little bit like a Republican," Cotton said, with some astonishment. Loevinger laughed: "That's the first time that charge has been leveled at me."

Loevinger also took Chmn. Magnuson (D-Wash.) aback at one point. Magnuson was complaining about agency appointees serving too briefly, then frequently joining the industries they had regulated. He said appointees should serve as long as President desires. "I did that in my present job," said Loevinger, who was anti-trust chief of Justice Dept. Magnuson then asked: "You mean you served as long as the President wanted you there?" When Loevinger gave an affirmative, Magnuson looked around with some disbelief, said, "no further questions on that"—a bit amazed at this candid admission that Kennedy no longer wanted him as anti-trust chief.

RATING REFORMERS NAMED, OTHER MOVES: Rating reform actions sprouting: NAB announces Rating Council members; RAB may go it alone on radio study using Audits & Surveys Co. plan; ARB may get into radio; Pulse will set up interim advisory committee; FCC Chmn. Henry appears before Harris June 20.

NAB announced 14 members—networkers & broadcasters—to serve on Council to oversee reform program, no NAB staff included. Representatives from AAAA & ANA who will serve as liaison members are not yet announced, but NAB expects they will be AAAA Pres. John Crichton & ANA Pres. Peter Allport. First meeting of Council will be held with NAB Research Committee in N.Y. June 17-18.

RAB picked Audits & Surveys Co.—over Politz's Universal Marketing subsidiary—to find new methodology to measure total AM-FM sets in use. Program will cost $200,000, will be conducted in 3-4 markets. Field work is scheduled to begin in Sept., report due next Jan. Audits & Surveys is Nielsen's biggest competitor in marketing research.

NAB & RAB are still mile apart on co-partnership of radio study. NAB will take up matter at first Rating Council meeting. RAB has raised about half funds, plans to get remainder from stations, token agency support, extra kick-in from stations in markets where methodology study will be conducted.

Never in radio before, ARB is testing radio in 2 markets, successfully so far, ARB says. Technique uses personal listening as base unit—long considered ideal for measuring today's "personal" radio medium —as opposed to traditional household-family base unit. If ARB decides to start radio ratings, it will make plans known in about 2 months.

ARB also reached agreement with WLUK-TV Green Bay, after rater cancelled May-June market report—because station aired announcements asking viewers with ARB diaries to call station. Station agreed last week to pay for extra week of sampling for entire market; ARB will eliminate first week of 4-week study.

Pulse held N.Y. meetings with reps & agencies, explained changes in procedures—temporary elimination of weighting, strengthened field controls (Vol. 3:16 p3). Pulse also asked for volunteers to serve on interim advisory committee on changes & methodology; it will probably have 4 rep & 4 agency members.

NAB Rating Council members: Don McGannon, Group W, (he's also NAB Research Committee chmn.); Hugh Beville, NBC; Edmund Bunker, RAB; Norman Cash, TvB; Joseph Drilling, Crowell-Collier Bcstg.;

Thomas Fisher, CBS; Simon Goldman, WJTN-AM-FM Jamestown, N.Y.; Fred Houwink, WMAL-TV-AM Washington; Robert Hurleigh, Mutual; Bennett Korn, Metropolitan Bcstg. TV; Fred Paxton, WPSD-TV Paducah; Willard Schroeder, WOOD Grand Rapids; Simon Siegel, ABC; Ben Strouse, WWDC Washington.

Ratings Criteria Subcommittee will be headed by Goldman, will help develop minimum standards & criteria for rating services, along with plan for accreditation. Audit Subcommittee, headed by Houwink, will form program for professional auditing of research services. Membership of subcommittees, when announced, will include researchers—not only broadcasters as in parent Rating Council. NAB Research Committee, at work on methodology improvement phase, will include FM in local radio proposals.

MINOW—'REVAMP FCC': Ex-FCC Chmn. Minows' recommendation to President Kennedy, to revamp govt. regulation drastically, isn't likely to get far precisely as he proposes it. However, it adds another articulate push in one direction—and demand for change may snowball.

In letter to President Kennedy, Minow suggested: (1) A single Administrator set all communications policy. (2) An Administrative Court handle all adjudicatory matters.

Many others have suggested that FCC and similar agencies should quit being both prosecutor & judge—that special court be set up to take over Commission's judicial functions. But few have suggested that a single man set policy. A Federal Communications Bar Assn. committee has suggested that 5-man Commission set policy. Louis J. Hector, ex-CAB member, recommended that policy be handled by group reporting to President, a court handle litigated cases, Justice Dept. do the investigation & prosecution.

Minow would put the Administrator under President —something Congress would scarcely tolerate. As it is, every agency nominee, as he appears before Senate committee, is asked to make declaration of faith that his agency "is an arm of Congress." And he does.

Multiple-member Commission, Minow wrote President, not only has trouble agreeing on policy—it's inconsistent. He says Administrator wouldn't become a "czar"—because courts & Congress can quickly squelch him. Furthermore, said Minow, we have single administrators in govt. with "far more vital responsibilities for policy development than are involved in the communications field."

New Chmn. Henry was asked for reaction, said there's "merit" in Administrative Court idea, didn't indicate his thinking on single Administrator.

Last week wasn't first time Minow has advanced his proposal. He's suggested it in speeches & interviews, but got little attention, being lost in other material. Even *Wall St. Journal* commended Minow for seeking improvement, though it said: "Good govt. does not lie in having a 'czar' of the TV industry, or any other. The best way to simplify any regulatory agency is to regulate less."

Minow has more ideas on govt. improvement, is expected to pass them on to President. One of them: Red tape prevents govt. from advancing & using people more efficiently.

Color transmission seminars for station chief engineers & transmitter supervisors will be conducted by RCA in 6 cities. Some 600 engineers have signed for sessions at: Princeton, June 10; Chicago, June 12; Atlanta, June 14; Dallas, June 19; Los Angeles, June 21.

Harsh blast at KATV Little Rock was delivered by FCC Examiner Thomas Donahue, who recommended denial of transmitter move from Pine Bluff to Little Rock. He said station misled FCC and Pine Bluff business & civic leaders about plans, virtually abandoned community to concentrate on the larger market. Said Donahue: "KATV presents a sorry record upon which to assess a request for authority to deprive some 12,000 people of their only TV service in order to pick up a population of 150,000 . . . There is grave doubt that KATV Inc. has the requisite character qualifications to be a broadcast licensee."

Excerpts from FCC Chmn. Henry's appearance on CBS's *Portrait* June 5: (1) Govt. ownership or subsidy of a network has too great danger of "getting it involved in politics." (2) Advertiser influence on programs "is waning." (3) "I wouldn't want to see advertising divorced from free TV. This is what gives free TV to the public . . . and that's a system that we all prefer." Pay TV should "stand or fall" in the "marketplace." (4) "Broadcasters in general are a responsible group."

All-Industry TV music committee, fighting ASCAP licensing policies, has voted to take new legal step. Meeting in N.Y., group moved to ask U.S. District Court for declaratory judgment broadening stations' rights under the anti-trust consent decree governing ASCAP licenses. Committee doesn't complain about Court's operation of consent decree; rather it claims that consent decree doesn't go far enough in controlling ASCAP.

"Town Meeting of World" via Telstar, promised by CBS Pres. Frank Stanton last year (Vol. 2:44 p2), is set for July 10. Stanton said participants will be Eisenhower from Denver or Gettysburg, Anthony Eden from London, Jean Monnet from Paris or Brussels. Stanton asked Olaf Rydback, pres. of European Bcstg. Union, to suggest a 4th. Each is to speak before an audience, answer questions.

NAB asked FCC to defer deadline for comments on FCC's commercial limitations proposal (Vol. 3:20 p6) from July 1 to Nov. 1. NAB said proposal raises "basic questions of statutory and constitutional law" as well as "grave considerations of national public policy."

Rep. Harris (D-Ark.), receiving Broadcast Pioneers award at Washington luncheon for "firm and fair leadership" and devotion to idea that "broadcasting should be free," said that, in general, "industry is doing a fine job for the American people."

Control of KETV Omaha has been granted by FCC to Northwest Agencies Inc. (now 45.2% owner), which acquires remaining 54.8% for $2,442,857.

Traditional Aug. vacation has been announced by FCC which will hold only one meeting that month, Aug. 1.

PARAMOUNT'S TELEMETER PLANS: Paramount Pictures' loss on its Telemeter pay-TV system last year amounted to $1,361,000, but it now is running at annual rate of $750-800,000, and recent developments should cut losses substantially this year.

So said Paramount Pres. Barney Balaban & Treas. James H. Richardson in answers to question at last week's stockholder meeting in N.Y. Balaban specifically pointed to 9-theater Eidophor closed-circuit sports network which will carry Toronto Maple Leafs' 35 away-from-home games at the same time as they are piped to Telemeter subscribers' homes in Etobicoke, Canada (Vol. 3:22 p4). This, he said in his report to stockholders, "will enable us to reduce, by approximately $250,000 annually, the program cost in operating the home pay-TV installation." Elaborating, he added that "the sports program is now self-supporting."

Balaban stated that Paramount's 51%-owned Canadian subsidiary, Famous Players Canadian Corp. Ltd., realized cash gain from pay-TV system, since parent company assumes loss under agreement establishing system.

He reported progress by Midwest Video Corp., Telemeter franchise-holder in Southwest (Vol. 2:38 p2), in negotiating with Ark. Bell System for rate structure, and expressed hope it will serve as pattern for other wired pay-TV negotiations with local phone companies. "We're getting closer to a deal we can live with," he said.

As to Paramount's post-1948 feature film library of nearly 200 pictures—last major studio backlog as yet unreleased to TV—Balaban said company will lease these rather than sell them outright as it did its pre-1948 product. "We may form our own organization—we haven't yet decided." He said Paramount's pre-'48 films, distributed to TV by MCA subsidiary Emka, have already grossed $62 million, a gross return of $44 million to Paramount.

On subject of program production, he said: "We hope to have an important announcement shortly which will place us in the forefront as a producer of programs for TV."

Paramount's KTLA Los Angeles, which in 1962 "earned more than twice the profit of any other independent TV station in that market," again is headed for satisfactory year, "although we know it will not be as good as 1962."

Famous Players, Balaban said, "is investing in a substantial number of CATV systems throughout Canada." (For report on Paramount's color tube and financial outlook, see p. 11.)

Networks are having trouble selling some of new shows in fall schedules. A few key headaches: ABC-TV—no sponsors yet for *Channing*, hour-long film show scheduled to follow *Ben Casey* on Wednesdays; CBS-TV—segments of *East Side, West Side, The Great Adventure* and *Judy Garland Show* have "For Sale" tags; NBC-TV—toughest sale on network are participations in new *Espionage* series, despite strong, well-received pilot. Reason: *Espionage* faces competition on Wednesdays from *Beverly Hillbillies*, on CBS, and *Ben Casey*, on ABC. Interestingly, NBC is having no great difficulty selling slices of National Football League Championship game (for which it paid over $900,000 for TV rights). Big sports event is almost completely sold out—at blockbuster price of $77,500 for each commercial.

Syndication is lucrative sideline for Warner Bros., whose track record in fall network program sales has not been so hot this season but whose off-network station-level sales practically sizzle. WB averaged "more than a million dollars a month" in sale of former network shows to stations between March 15 and May 31, according to TV vp Joseph Kotler. Actual box score: 58 off-network TV shows *(Cheyenne, Hawaiian Eye, Bronco, Surfside 6, Roaring 20's*, etc.) sold during period in 35 markets for gross of $2.6 million, with 34 of 58 shows sold to stations previously buying one or more WB syndicated shows. Defending itself against charge (largely by old-line syndicators of old-but-durable shows like *Sea Hunt*) that ratings of 60-min. syndicated adventure shows don't justify hefty price, WB pointed out that they have plenty of pulling power. In major southern market, *Maverick*—now in reruns—reaches 67% more homes than did another show on same station in same time slot a year ago.

Network TV gross time billings for Feb. were $64,482,525 compared with Feb. 1962's $61,242,551, up 5.3%, according to TvB. Feb. gains for each network were: ABC, from $15,757,364 to $17,489,935, up 11%; CBS, $23,528,815 to $24,082,486, 2.4%; NBC, $21,956,372 to $22,910,104, 4.3%. Daytime gross jumped 10.9% from $19,836,914 to $22,006,851. Sat.-Sun. daytime was up 43.9%. Nighttime billings rose 2.6%, from $41,405,637 to $42,475,674. Combined Jan.-Feb. 1963 was up 4.5%, from 1962's $127,023,310 to $132,732,916.

NAB's Program Study Committee gave final endorsement to Pres. Collins' plan to supply program services for members (Vol. 3:18 p5). Committee, under co-chmn. Joseph Baudino, Group W vp, & Allen Page, KGWA Enid, Okla., recommended NAB board implement plan. Service would concentrate on idea exchange & collection of reference material on techniques & trends.

NAB's concern over FCC's proposed AM-FM standards (Vol. 3:20 p7) is reflected in move to reactive Radio Development Committee—George Hatch, KALL Salt Lake City, chmn. Committee will examine AM assignment standards, relationship of AM-FM, meet in Washington June 14 to make recommendations.

Sale of KTVU Oakland-San Francisco for about $10 million, to Cox stations, nears signing stage. Cox's present TV holdings: WHIO-TV Dayton, WSB-TV Atlanta, WSOC-TV Charlotte.

Miami-area newspapers sold by Storer Bcstg. to group headed by Knight papers' James L. Knight: *Miami Daily Sun*, weeklies *Miami Shores Journal, North Miami Journal, North Miami Beach Journal.*

Lectures on RKO's Hartford pay-TV, offered experimentally: June 9, Emily Kimbrough, writer-commentator; June 16, Ray Middleton, singer-actor; June 23, Art Buchwald, columnist.

KBLL-TV & KBLL Helena, Mont. will be transferred to Capital City TV Inc., Tex. & Mont. CATV operator, for $260,000, approval of sale having been authorized by FCC.

Sale of KVIP-TV Redding, Cal., for $1,280,000, to Sacramento Valley TV, has been granted by FCC. Purchasers will drop Ch. 9 Redding application.

Addition of Ch. 20 & 26 to Phoenix is proposed by FCC. First is sought by Dwight Harkins, who proposes pay-TV operation. Second is petitioned by Power TV Inc.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington 6, D. C.
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest

PAUL STONE, Editorial Director, Television Factbook
VIRGINIA SNOWDEN, Managing Editor, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938

DAVID LACHENBRUCH, Editorial Director

CHARLES SINCLAIR, Contributing Editor

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411

HAROLD RUSTEN, Associate Editor

TELEVISION DIGEST. Published Mondays. Services: $75-$150 annually.
For group rates & other subscription services, write Headquarters.

TELEVISION FACTBOOK
Published Annually

TV & AM-FM ADDENDA
Published Saturdays

AM-FM DIRECTORY
Published Annually

Personals

Harold Graham Jr., ex-McCann-Erickson senior vp & TV programming mgr., named CBS-TV network program vp . . . **Drew Brinckerhoff**, ex-CBS salary administration dir., named gen. mgr., CBS-TV Network Operations . . . **Robert J. Burton**, BMI vp, elected exec. vp.

Frank Stanton, CBS Inc. pres., & **Pauline Frederick**, NBC News, receive Boston U. doctor of humanities and doctor of letters degrees, respectively . . . **Donald H. McGannon**, Group W pres., receives U. of Scranton doctor of humane letters degree.

NAB Pres. Collins awarded honorary doctor of laws degree by Millikin U. . . . **William N. Cothran** promoted to news & documentary programs dir., KRON-TV San Francisco.

John O. Gilbert, ex-radio WXYZ Detroit vp & gen. mgr., promoted to WABC-TV N.Y. vp & gen. mgr.; Harold L. Neal Jr., ex-radio WABC N.Y. vp & gen. mgr., elected ABC-owned radio stations pres.

C. Robert Gross, ex-KNXT Los Angeles asst. technical operations dir., appointed WCAU-TV Philadelphia engineering dir.

William W. Rogal, attorney-adviser to FTC Comr. MacIntyre, appointed attorney-in-charge of special legal assts., succeeding **Sherman R. Hill**, who joins legal dept., GE Houseware & Commercial Equipment Div., Bridgeport.

Obituary

Isidor S. Becker, 66, retired CBS Radio business affairs vp, died of heart attack June 2 at Lake Mahopac, N.Y. summer home. He joined CBS in 1934, was elected vp in 1952, served as consultant after retirement. Survivors are widow, son Arnold, mgr. of CBS-TV coverage research analysis, daughter.

HILL SPOTLIGHTS EQUAL TIME: With electioneering only year away, political equal time & editorializing issues are getting plenty of congressional attention.

Senate Commerce Committee, under Sen. Magnuson (D-Wash.), will hold hearings June 26, running 3-4 days, on 2 measures to lift equal time (Sec. 315, Communications Act)—S-251 for 1964 Presidential & Vice Presidential candidates, S-252 for permanent suspension for above offices, plus Senate, House, governorships.

Witnesses will include FCC, NAB, networks, probably senators, congressmen, others. FCC will supply committee with huge documentation (over 400 pp.) on how measure worked in 1960 campaign. House Communications & Power Subcommittee, headed by Rep. Rogers (D-Tex.), also will hold hearings, in July, on broadcast editorializing, equal time, fairness doctrine (Vol. 3:22 p5).

House Commerce Committee last week published report on its measure to suspend equal time for 1964 Presidential & Vice Presidential candidates (Vol. 3:21 p5). Strongly-worded minority opinion, however, had industry observers wondering. Measure is in Rules Committee; action is expected this week.

Industry is apprehensive that minority views of Reps. Bennett (R-Mich.), Williams (D-Miss.), Younger (R-Cal.), Devine (R-Ohio) may be widespread, that favorable committee vote was merely to accommodate April 1962 recommendation of President's Committee on Campaign Costs.

In recommending closer congressional examination of Sec. 315 & editorializing, minority said: "Our friends in the broadcasting industry, having been given merely a glimpse of power in the political arena, are now hungrily pursuing its ultimate; the right to hound people out of office who do not please them, the right to openly groom a successor for an official in disfavor, the right to control completely what an official or candidate may say to his audience in his own behalf, the right to use the airwaves to argue for its own political point of view, its own candidates, and with impunity. A license renewal each 3 years is no defense against the mischief possible under such conditions . . .

"Judging from the quality of editorial opinions now expressed by most stations upon subjects of community interest, there is no reason to expect a highly informed or responsible activity in the political field . . .

"The suspension of 1960 was basically for the benefit of the broadcaster and not the political parties . . . What resulted was a series of glorified news conferences. Most of the exposure . . . could have been accomplished through regularly scheduled news and public affairs programs . . .

"It is generally recognized that most political contests after the primaries . . . narrow down to two candidates and present a minimal problem in the application of the equal time requirement."

Sol Schildhause, asst. chief of FCC Rules & Standards Div., named a hearing examiner, successor not yet selected; he has served as legal asst. to late Comr. Hennock, headed Renewals Branch, Office of Opinions & Review, TV Applications Branch.

George Liebowitz, TelePrompTer controller, asst. secy., asst. treas., promoted to secy., treas., chief financial officer.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

NEW LINES—LOWER PRICES, MORE WOOD: Consumer electronics industry's new product for 1964 continues to stress more-for-the-money theme, more & better furniture, lower prices at top & bottom ends —and a few novelties & innovations.

This week's highlight introduction was by "the new Sylvania," whose lines—even down to nameplate—represent complete departure from anything offered by that company. Young new team, under Sylvania Home & Commercial Electronics Corp. Pres. Robert J. Theis, is undergoing massive image-changing operation, stressing corporate affiliation with big GT&E, electronic research, and quality.

Transformation of Sylvania image was accompanied by complete transformation of its product, in what was clearly heavy bid for prestige image. Even its full-feature 19-in. portable at $129.95 (which Theis said would be withdrawn when competitive conditions warrant) isn't most newsworthy item in line. Biggest news is redesign. TV line features 3 new horizontal chassis, virtually all new high-style furniture, and one unique 19-in. set ($159.95) with optional plug-in clock & timer. Even more impressive is Sylvania's big push in console stereo with 13 models whose selling point will be "component quality." Line starts with wood-veneer cocktail table at $149.95.

Admiral's 23-in. TV line extends to black-&-white its program of "remote control on any set for $30." Leader is $169.95 "portable" 23-in. set. Admiral phono line, like Magnavox & Zenith, takes transistorized approach on its 4 top-end consoles (all open list)—with electronic components warranted for 5 years. Full stereo line has 19 consoles beginning at $129.95, features new adjustable-pressure tone arm.

GE's portable phono line boasts reductions of up to $20 in some models, "professional" tone arm, stereo headphone jacks. Its radio line has wood cabinets in models beginning at $64.95, FM-AM clock radio at $39.95.

Olympic's TV-phono combination line now starts with 23-in. AM-FM at $299.95. Its portable TVs, many imported, begin with 16-in. at new low of $114.95, with open-list 19-in. leader followed by $129.95 step-up. All of Olympic's 23-in. sets now use same new 23,000-volt chassis.

Packard Bell's new sets show more effort in lower price ranges, plus such unusual furniture pieces as wall-mounted 19-in. TV with tambour doors, hanging cordless radio, marble-top color console. Company's remote-control options now include 4 different units, including 2 wired systems containing chairside speakers at $39.95 & $49.95 (latter including color controls), wireless remotes $50 & $80. Longer color line now starts at $499.95, and "speakerless stereo" system is available to convert color set into TV-AM-FM-stereo combo.

(For more highlights of last week's new lines, see p. 10.)

CORNING'S NEW ANTI-IMPLOSION SYSTEM: Still another implosion-protection system will be demonstrated to picture tube manufacturers this Thu., June 13 by Corning Glass Works.

Corning's new "Shelbond" process, like Owens-Illinois' Kimcode, requires no external or bonded safety shield, presumably depending on strengthened glass and enclosure of funnel to minimize & contain any possible implosion. Corning's invitation to tube makers stated that it would demonstrate "fail-safe system for implosion protection of tubes at lower costs than any known system."

Corning officials declined to give any information. Asked if Shelbond was designed as answer to Kimcode, one official replied: "It's not the answer to anything except how to save money." New process seems similar enough in principle to Kimcode—particularly the integral implosion protection concept—to prompt one tube industry figure to refer to it as "Corncode". However, another leading tube manufacturer stated that Shelbond isn't "answer" to Kimcode, but "the result of an evolutionary development of which Kimcode was one step."

On basis of preliminary information, it's understood that Shelbond has significant differences from Kimcode. It's believed to lack Kimcode's steel tension band around rim of faceplate as well as Kimcode's Fiberglass sleeve cemented around funnel. In place of latter, Shelbond is believed to use thick layer of resin.

Shelbond is understood to have been tested by UL and to have received preliminary okay. It's expected to see first use some time next year.

Kimcode itself still hasn't shown up in any of the new 1964 lines. Curtis Mathes, however, is using it in all of its 19- & 23-in. TVs, reportedly with satisfactory results. It's still probable that Kimcode will appear in a TV line in next week or so, and that further use of it will be made in later drop-ins.

All picture tube manufacturers are set up to make it. RCA, in fact, has developed its own special (and secret) process for making Kimcode-type tubes; one difference from standard Kimcode is believed to be use of welded, rather than crimped, rim band. No Kimcode-equipped sets appear in RCA Victor's new line.

Effect of Corning's Shelbond process on various manufacturers' plans for use of Kimcode will be unknown, of course, until Shelbond is fully evaluated.

On the color front in picture tube industry, meanwhile, here are latest developments: (1) National Video started production of 23-in. rectangular color tubes June 3, Pres. Asher Cole told us last week. Motorola, however, still hasn't made final decision whether to use tube in its forthcoming line. (2) Zenith's Rauland Corp., which begins regular color tube production in its main plant this month, says it is already supplying some color tubes to Zenith for use in production TV sets. (3) Corning says it's proceeding on schedule in its development program for rectangular 25- & 19-in. color bulbs, and it hopes by middle of summer "to prove that our design assumptions are correct." (4) Owens-Illinois (Kimble) plans to be in production of conventional 21-in. round 70-degree color bulbs next fall.

FTC OPENS 'DECEPTIVE PRICING' HEARINGS: Proposed draft of new book which is sure bet tc become overnight best seller will be previewed by industry this week when FTC opens public hearings June 10 on its "Guide to Deceptive Pricing," last issued in 1958 (Vol. 2:35 p10). More than 200,000 copies of 1958 edition were distributed. New draft incorporates changes stemming from since-1958 litigations & FTC decisions.

In addition to seeking industry reaction to proposed rules revisions & new interpretations, FTC wants opinions on use of term "free" in retail advertising. Until about a decade ago, FTC had insisted that offer be completely & unqualifiedly "free", with no strings attached. However, some 10 years ago, Commission relented, agreed item could be offered "free" with purchase of another product—so long as: (1) this condition was clearly stated at outset of ad; (2) price & quality of product remained unchanged. FTC is now seeking recommendations about retaining new interpretation or reverting to traditional stand.

Assn. of Better Business Bureaus, trade association for all BBBs, will appear at June 10 hearings and, among other recommendations, will call for retention of present concept, we were told by Hugh R. Jackson, pres. of Metropolitan N.Y. BBB & member of ABBB's Board of Governors.

"We will urge one additional condition, however," he told us. "It is our contention that the public is not deceived by an offer of something 'free' with the purchase of another product. However, to the conditions that this proposition be clearly stated at the outset of the ad and that price & quality remain unchanged, we will recommend that the 'free' offer be for a limited time. Otherwise, the offer becomes deceptive in fact, and with the passage of time the manufacturer in reality is offering two items for the stated price."

MASS MERCHANDISERS MASS FOR FAIR TRADE FIGHT: Newly formed & rapidly growing National Assn. of Mass Merchandisers (Vol. 3:16 p9), which says it speaks for discounters serving 15 million customers in 31 states, spoke up loud & clear against stabilization legislation last week as Senate Commerce Subcommittee opened hearings on S-774 bill.

Warning that "this type of legal price fixing" may skyrocket cost of living as high as 32% in some localities, NAMM exec. dir. Roger Courtland told Senate group: "Mass merchandising has brought the cost of living down in those areas where legitimate discount business establishments have developed. The fact that sales in these stores have increased & are increasing weekly indicates that the American public approves of this form of lowering the cost of the merchandise they need, want and seek to purchase."

Courtland called on govt. to focus its attention "upon the benefit to the consumer public resulting from the advent of mass merchandising" instead of "hindering or passing legislation that is harmful to this new industry."

He later told us that NAMM, which was organized in April, now represents 136 discount stores plus lessee organizations that operate a total of 247 leased departments in discount stores throughout the country. Sights are set on vastly larger organization, however.

NAMM has scheduled 3rd recruitment meeting July 12 at N.Y.'s Savoy-Hilton Hotel. In "open letter of invitation to mass merchandising industry," Irving Mills, pres. of Indianapolis-based Gov-Co discount operation, and chmn. of NAMM's steering committee, warned discounters at large: "If a national, so-called 'Fair Trade' law is passed, the damage it would do to you & your business is obvious. Individually, each of us can do very little to combat anti-discount legislation on the national level. A strong, effective & articulate organization can make its collective voice heard with great impact, great dignity & great force."

• • • •

"Discount stores, contrary to their stereotype, are exerting at least as strong a pull for upper & middle income groups as for those in more modest circumstances," concluded Opinion Research Corp. after investigation of consumer behavior patterns in metropolitan areas. Finding: "3 homemakers in 10 in the $3-5,000, $5-10,000 & over $10,000 income groups had shopped in a discount store in the preceding month, compared with 15% of homemakers in the under $3,000 grouping."

Other findings: retail outlets most frequently visited by homemakers are supermarkets, drug stores, department stores, in that order. In period studied, "twice as many homemakers visited department stores as visited discount stores," but 43% said they were visiting discount stores more frequently than in past years. Statistical findings: 66% of surveyed homemakers had visited department store in preceding months, 29% discount store, only 9% appliance store.

TV-RADIO PRODUCTION: EIA statistics for week ended May 31 (22nd week of 1963)

	May 25-31	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV	107,719	124,193	107,335	2,902,712	2,781,477
Total radio	317,902	362,941	289,390	7,244,911	7,835,495
Auto radio	147,563	141,623	34,391	3,233,909	2,735,339

Market for remote-control sets won't be "greatly affected" by next year's shift to all-channel set production, in opinion of Zenith Sales Corp. Pres. Leonard C. Truesdell. "Zenith will continue to offer a full line of Space Command-equipped sets in black-&-white and color," he said, pointing out that Zenith's new sets can accommodate any combination of 12 uhf & vhf channel strips (Vol. 3:21 p9). He foresaw continued use of strip approach for remote control, with continuous tuners for manual uhf station selection. All-channel law provides that sets made after April 30, 1964 must be able to tune to all 70 uhf channels.

Stereo pace has quickened suddenly, FCC reporting 9 new starters last week: WKBV-FM Richmond, Ind.; WDVR Philadelphia, Pa.; WBFG-FM Detroit, Mich; WWOS-FM Palm Beach, Fla.; WYZZ-FM Wilkes-Barre, Pa.; WLBH-FM Mattoon, Ill.; KWBB-FM Wichita, Kan.; WCOS-FM Columbia, S.C.; WSOY-FM Decatur, Ill.

Canadian FM-stereo stations CFPL-FM London, Ont.; CJOB-FM Winnipeg, Man.; CFMO-FM (formerly CFRA-FM) Ottawa; CKFM (formerly CFRB-FM) Toronto. CKY-FM Winnipeg has not yet started stereocasts. Our last list of stations broadcasting in stereo (Vol. 3:20 pp 11-12) should be changed accordingly.

Japanese TV exports to U.S. for first 4 months of 1963 totaled 102,135 sets, or about 4½% of U.S. black-&-white TV production for same period, and more than 6 times higher than the 16,544 exported during same 1962 period. Breakdown for 1963 period: Transistorized TV, 38,976; conventional sets, 21-in. & larger, 5,267; smaller than 21-in., 57,992. Japanese exports to U.S. of radios with 3 or more transistors showed substantial increase during period—2,209,919 sets vs. 1,824,363 last year. Tube radios declined to 324,283 from 468,482, and other radios (mostly 1- & 2-transistor "toys") dropped to 755,139 from 1,113,013.

Philco orders for b&w TV at recently concluded Florida convention (Vol. 3:20 p8) jumped 73% from year ago. Radio orders boomed 130%, console hi-fi sets 60%, portable phonos 8%. "Color TV orders were more than 2,000% ahead of 1962 convention orders," noted gen. mktg. mgr. Armin E. Allen. He termed convention "most successful this company has had in years," emphasized "we have been working toward this order position since the Ford acquisition 18 months ago . . . obviously, they [Philco's distributors] believe that we're on our way up."

Admiral has licensed Westinghouse under its wireless TV remote control system, Admiral announced last week.

HIGHLIGHTS OF NEW LINES: There were no obvious new color surprises in the 3 lines introduced last week (see p. 7). Sylvania, still buying chassis from RCA, showed 8 sets (including 3 carryovers), starting with black metal table at $495 and topped by $725 lowboy. Packard Bell's redesigned line boasts 18 models, now starting at $499.95 in wood table model, with high-end at $925 and 2 color combos at $995.50 & $1,195. Olympic's 7 sets were all open-list—from grained metal consolette to 2 "highly competitive" combos.

Sylvania's stereo console line has high-styled wood veneer cabinets from top ($795) to bottom ($149.95). All units have Garrard changers. "Component quality" claim is backed up in high end with Pickering magnetic cartridge, Jensen exponential horns, completely sealed & baffled speaker systems. Consoles with FM stereo begin at $229.95.

In TV, Sylvania steps up from $129.95 portable to $139.95 set originally dropped in in March at $144.95. New "Skylark" series ($159.95 & $169.95) has optional $10 clock which sits, Predicta-like, on pedestal protruding from top of set. First 23-in. table model (metal) is $169.95. One lowboy unit has "Grecian green" finish. Halovision sets start at $249.95 (vs. $289 last year). Combos—3 models—are $399.95-$649.95.

First Sylvania imported radios—each made by a different manufacturer: 7-transistor miniature at $14.95 and 8-transistor miniature at $19.95, both gift-packed & Japan-made; 9-transistor AM-FM at $79.95 & 10-transistor AM-FM-SW at $99.95, both German. Short line of Sylvania-built table & clock radios had no FM or AM-FM sets.

Olympic: 13 portables, mostly open list; 23-in. sets from $179.95 (table model) to $349.95; combos start with 23-in. unit with AM radio (open list), stepping up to $299.95 with AM-FM, multiplex units at $379.95 ($20 less than last year), and top of line is $615 (vs. $800 year ago). Long hi-fi console line starts at $119.95, first FM stereo unit at $219.95, $10 below last year. Top of line is $359 (vs. $429 last year).

Admiral: TV console line is long, with many open-list items. There are 6 basic combos, starting at $399.95. Stereo line features "Vari-gram" tone arm, whose pressure can be adjusted from 0 to 5 grams. Top-end transistorized units have maximum peak power output of 250 watts.

Packard Bell: Portables now start at $139.77 (vs. $148.88 in 1962), wall-mounted 19-in. set at $199.95-$219.95, first 23-in. table model down to $189.95 from last year's $229.95. B&w combos are $499.95-$775, down from last year's top of $875.

———■———

Zenith reported record orders for its new products were placed by distributors at its sales convention for 3rd consecutive year. Zenith Sales Corp. Pres. Leonard C. Truesdell said orders were "substantially" ahead of last year and more than 28% higher than same 1961 period. B&w orders set all-time high, he added, and Zenith's entire production of color TV is sold out through Aug. "We are required to revise our initial production schedules and increase them substantially through Sept.," he said.

Mergers & acquisitions: Dage Div. of Thompson Ramo Wooldridge will sell its closed-circuit TV business for cash to **Harvey-Wells Corp.**, Framingham, Mass. electronics manufacturer, if latter's shareholders approve at special June 24 meeting • **Hickok Electrical Instrument**, Cleveland-based maker of electronic test & control equipment, has acquired for undisclosed cash **Stark Electronics Instruments Ltd.**, major Canadian manufacturer of electronic service instruments & equipment • **Bendix** has purchased for cash **Motorola's** aviation products business, which produced annual sales of about $1 million.

Texas Instruments has developed new process for manufacturing high-quality silicon crystals. Process is called Lopex, for low oxygen pulled crystal, and TI says it yields a crystal that enables transistors to gain more amplification than with other silicon crystals. Lopex crystals will account for "⅓ or more" of TI's crystal output by year's end.

Admiral has formed new distributors' advisory council of 10 distributors & branches. Meetings will be held thrice yearly, with first scheduled for July. Admiral also has created annual awards for distributor & branch with highest over-all share of market on all products, separate awards for distributor & branch with greatest improvement over preceding year.

Collins Radio has declared first cash dividend since 35¢ payout in 1957, a 20¢ payment July 1 to holders of record June 24. Chmn.-Pres. Arthur A. Collins said board will consider dividend action again in Dec., added: "Resumption of cash dividends at this time is a reflection of the board's confidence in the continuation of the company's improved operations."

Admiral's $399.95 color set has adequate profit margins, a company spokesman declared last week in response to industry comment (Vol. 3:22 p7). He conceded that margins on the leader set were lower than others in the line, but added that margins on the other 15 sets "are substantially higher than a year ago."

Reports & comments: Walt Disney Productions, analysis, 40 Wall St., N.Y. 5 • **GPE**, comments, J. W. Sparks & Co., 120 Broadway, N.Y. 5 • **Bendix**, review, Weingarten & Co., 551 Fifth Ave., N.Y. 17 • **Magnavox & Zenith**, discussions, Amott, Baker & Co., 150 Broadway, N.Y. 38.

Standard Kollsman Industries' 1963 sales & earnings are expected to fall below 1962's $4.3 million earned on $90 million sales. Pres. James O. Burke told annual meeting that company is going through transition to increase production of space system components while demand for similar components for manned aircraft declines.

Distributors' Advisory Council is being formed by Admiral, to be composed of 10 distributors & branches, Pres. Vincent Barreca announced. It will discuss planning, marketing problems and policies and serve as clearing-house for suggestions & recommendations.

Heathkits will soon be marketed in West Germany, Pres. John Montgomery of Daystrom Inc. told N.Y. Society of Security Analysts. Daystrom, subsidiary of Schlumberger Ltd., is parent of Heath Co.

GE's "lifetime guarantee" on etched circuit boards, announced with introduction of 11-in. set (Vol. 3:20 p8), has been extended to all TV sets in GE line.

Trade Personals

New officers, Armed Forces Communications & Electronics Assn.: Pres., **Walter Pagenkopf,** Western Electric Indianapolis Works mgr.; vp, **Dr. Herbert Trotter Jr.,** GT&E Labs chmn. Re-elected vps: **Adm. Bernard Roeder,** asst. chief of Naval operations-Naval communications dir.; **Brig. Gen. J. Francis Taylor Jr.,** Air Force command & control communications dir.; **Maj. Gen. Earle Cook,** Army chief signal officer; **Lt. Gen. Alfred Starbird,** Army Defense Communications Agency dir.; **Peter Schenk,** Peter J. Schenk & Co., managing partner. **John O'Brien,** Hoffman Electronics govt. relations vp, re-elected treas.

Dr. James Hillier, RCA Princeton Labs vp, in Japan for 6-week study of industry, guest of **Dr. Martin C. Steele,** RCA Tokyo Labs research dir.

Frank B. Sobieralski appointed CBS Labs administration & business development vp.

Robert L. Werner, RCA exec. vp & general attorney, elected to RCA board.

Asher J. Cole, pres. of National Video and its Puerto Rican affiliates Rico Electronics and Caribbean Electronics, honored by Puerto Rican govt. with plaque for his "contributions to the social & economic development of the Commonwealth of Puerto Rico."

James Schwartz, ex-RCA, named National Video chief color engineer; **Bert Squier,** ex-Raytheon & Hewlett-Packard, appointed chief of color production engineering.

Anthony J. Froio, in charge of Sylvania Home & Commercial Electronics account, formerly with Allen B. Du Mont Labs, elected a vp of Kudner Agency.

Bureau of Standards appointments: **Robert S. Kirby** to asst. div. chief for research & development, troposphere & space telecommunications div., Central Radio Propagation Lab.; **Bradford R. Bean,** consultant to div. chief for lower atmospheric physics; **Raymond E. McGavin,** acting chief, lower atmospheric physics; **Albrecht P. Barsis,** chief, spectrum utilization research.

Albert C. Embrechts elected GT&E International vp & head of new telecommunications mktg. group; **Robert W. McMichael,** GT&E International vp, also appointed to new telecommunications group, will coordinate marketing activities from N.Y. hq.

Leonard S. Bass named Admiral builder-sales mgr. . . . **Donald R. Welsh** appointed Sylvania Tube Div. renewal sales merchandising coordinator, a new post; **John E. Murray** named mktg. cost mgr. . . . **Donald G. McKelvey** named diodes product mktg. mgr., Sylvania Semiconductor Div.

Donald E. Smith, ex-Sylvania, joins International Resistance as mktg. mgr. of semiconductor device division, North American Electronics; **Kenneth C. Dreusicke** named mktg. mgr., Burlington (Iowa) Div.

Otis C. Ferrell, formerly Pa. State U. Institute of Science & Engineering, appointed planning vp, Lab for Electronics' Electronics Div.

John P. Sohn appointed engineering dir. of Arvin Industries' Consumer Products Div.

Richard D. Hershey appointed technical training mgr., Philco parts & service dept., a new post . . . **James T. Smith** named operations dir. of Magnavox's Urbana, Ill. lab.

CHROMATRON INC. IN WORKS? Paramount Pictures' long effort to commercialize its Chromatron color tube has borne few results—but there was talk last week of establishing a special enterprise, including Paramount and others, to try to accomplish the job.

Paramount Pres. Barney Balaban touched on subject at stockholder meeting in N.Y. last week (see also p. 5). He reported on 20-month analysis of Chromatron potential by industrial consultant Arthur D. Little Inc., which concluded that color TV's future is good, that Chromatron offers potential for lower-cost color TV, and that it may require "some years before significant income is realized."

"The full implementation of Chromatron cannot be done by Paramount alone," Little's report stated, "but will require the cooperative effort of others as well. For the past several months . . . Paramount and we have been establishing the proper group to commercialize Chromatron. It would be premature and cause great harm to disclose at this time any details of this progress." Said Balaban: "We're being encouraged by outside companies of substance."

Paramount's only licensee for the tube to date is Sony of Japan, which holds rights for non-U.S. markets only. "We're very much encouraged," said Balaban, referring to Sony's progress with tube. In annual report, he had stated that Sony "is now doing production development work on 16-, 12- & 9-in. Chromatron color TV sets."

In answer to question from stockholder, Balaban said Paramount is currently spending "at the rate of $400,000 a year" on development of Chromatron, about half of last year's rate. About half of this amount is represented by salaries, the balance legal & patent fees, etc.—including $30,000 a year to group holding patent on Chromatron (Lawrence tube). This royalty arrangement has "few more years to run," said Balaban.

In other developments, Balaban said Paramount had sold all of its Fairchild Camera & Instrument stock, received in exchange for its Allen B. Du Mont Labs stock, and disposed of two-thirds of the Ampex stock it had received when it sold a Telemeter subsidiary.

Financially, he said Paramount's first-half showing will not be very good, but 1963 will be "much better" than last year, when company suffered net loss of $3,410,000—its first in 25 years.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Collins Radio		$0.20	July 1	June 24
Corning Glass	Q	.37½	June 28	June 17
Hawley Products	Q	.05	June 28	June 14
Newark Electronics	Q	.06¼	June 28	June 14
RCA	Q	.35	July 29	June 17
Republic	Q	.15	Aug. 15	July 23
Howard W. Sams	Q	.15	July 25	July 10
Schlumberger	Q	.25	Sept. 3	Aug. 15

Conrac Div. of Giannini Controls Corp. has acquired assets & business of Jet Electronics Corp., Azusa, Cal., maker of cathode ray tubes & TV camera deflection components, for undisclosed cash sum.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Collins Radio	1963—9 mo. to May 3	$ 177,356,000	$ 5,015,000	$ 2,408,000	$1.08	2,230,080
	1962—9 mo. to May 3	144,607,000	4,192,000	2,012,000	.90	2,230,062
Columbia Pictures	1963—9 mo. to Mar. 30	——	2,390,000	1,160,000	.62[1]	1,617,757
	1962—9 mo. to Mar. 30	——	2,127,000	1,689,000[2]	.95[1]	1,535,027
Consolidated Electronic Industries	1963—qtr. to Mar. 31	37,998,168	1,833,193	1,049,083	.33	3,176,908
	1962—qtr. to Mar. 31	38,160,107	2,095,132	1,033,041	.33	3,171,377
Hawley Products	1963—qtr. to Mar. 31	1,736,283	——	50,911	.18	260,000
	1962—qtr. to Mar. 31	1,716,994	——	101,332	.36	238,450
Hewlett-Packard	1963—6 mo. to Apr. 30	54,777,000	——	3,522,000	.30[1]	11,162,314
	1962—6 mo. to Apr. 30	52,884,000	——	3,446,000	.30[1]	10,992,267
Lynch Corp. (Symphonic)	1963—qtr. to Mar. 31	5,593,259	(80,998)	(95,814)	—	963,926
	1962—qtr. to Mar. 31	3,625,180	(182,108)	(234,386)	—	963,926
Republic Corp.	1963—6 mo. to Apr. 27	23,010,579	——	1,146,585	.39[1]	2,443,448
	1962—6 mo. to Apr. 27	21,899,523	——	974,328	.32[1]	2,443,448
Taft Bcstg.	1963—yr. to Mar. 31	12,485,942	——	2,310,425	1.45	1,589,485
	1962—yr. to Mar. 31	10,936,237	——	1,887,929	1.19	1,589,485
TV Industries	1962—yr. to Dec. 31	884,232	——	99,805	.10	1,015,700
	1961—yr. to Dec. 31	1,365,237	——	(4,125,799)[3]	—	1,015,700

Notes: [1] After preferred dividends. [2] Before profit of $413,000 (25¢ a share) from sale of land. [3] After non-recurring charges of $4.3 million—including $2.6 million provision for loss on film & film rights.

Officers & Directors stock transactions as reported to SEC for April:

Avnet Electronics. Joseph Cornoni bought 200, held 500. Morton Weiner bought 200, held 831.

Chris-Craft Industries. John Banister sold 2,000, held 2,025. Morris Leahy sold 500, held 350.

Clevite. A. L. W. Williams sold 2,500, held 36,934.

Collins Radio. J. G. Flynn sold 500, held 545.

Corning Glass. Amory Houghton Jr. bought 3,000, held 3,400.

Federal Pacific Electric. Clifford Harris sold 1,600 in March, held 28,400. Harold Vorzimer sold 8,900 in March, held 52,244.

Gabriel. Maremont Corp. bought 286,389, held 665,729.

GE. Fred J. Borch sold 1,400, held 9,706. C. W. LaPierre sold 1,202, held 10,980. Gerald L. Phillippe sold 2,000, held 12,000.

Giannini Controls. W. I. Shevell bought 500, held 1,000. Dwight Whiting bought 1,000, held 3,000 plus 1,000 in trust.

Hewlett-Packard. Robert M. Brown bought 300, held 1,350.

ITT. Henri Busignies bought 666, held 6,297.

Macfadden-Bartell. Gerald A. Bartell bought 1,000 in March, held 222,072. Lee B. Bartell bought 200 in March, held 221,272.

Magnavox. Richard A. O'Connor sold 4,100, held 115,601. Stanley Sondles sold 200, held 19,000.

Metromedia. Robert Dreyer bought 2,000, held 2,000. Benedict Gimbel Jr. sold 2,000, held 11,000. Joseph Madden bought 250, held 250.

Microwave Associates. Thomas McMains bought 200, held 200. J. Z. Miller bought 1,200, held 2,200.

Muntz TV. Daniel Domin bought 4,000, held 31,008. Jack Simberg bought 2,000, held 32,500.

National Co. Louis Lerner bought 400, held 158,055.

Outlet Co. George O. Griffith bought 400, held 800.

Oxford Electric. Adolph Dresner bought 700, held 8,059. Leon Sadacca bought 2,700 in March, held 16,061.

Pacific Industries. F. L. Anderson sold 1,390 in March, held 85,000.

Packard Bell Electronics. C. A. Duffy sold 1,000, held 122.

Paramount Pictures. Paul Raibourn bought 900, held 1,900.

Pentron Electronics. Osborn Andreas bought 2,000, held 250,034. R. L. Moxley bought 2,000, held 192,380. A. L. Thompson bought 2,000, held 22,126.

RCA. Kenneth Bilby sold 166, held 4,280. Rodolfo Correa bought 648, held 966.

Raytheon. Charles F. Adams bought 3,200, held 41,253.

Republic Corp. Victor M. Carter bought 300, held 74,600.

Standard Kollsman Industries. James O. Burke bought 2,000, held 362,682.

Stewart-Warner. Wilfred Reetz sold 200, held 4,600.

Storer Bcstg. George B. Storer sold 439,700 Class B, held 418,490 plus 182,750 in trusts.

Taft Bcstg. Donald Chapin sold 500 in March, held 755.

Texas Instruments. Lloyd Berkner bought 100, held 400. Jay R. Reese bought 1,000, held 3,405. E. O. Vetter bought 300, held 3,452.

20th Century-Fox. Arnold M. Grant sold 200, held none.

Webcor. Paul W. Roth bought 100 in March, held 300.

Zenith. Edwin M. Schroeder sold 150, held 620.

NAB LIBRARY

WEEKLY **Television Digest**

with

Consumer Electronics . . . (starts page 7)

JUNE 17, 1963 NEW SERIES VOL. 3, No. 24

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

NETWORK 'MOVIE PREMIERES' planned by MCA (which owns Universal Pictures) and NBC-TV (which has 2 network movie showcases). NBC tested idea in 1955, now plans to have modest-budget features on air in 1964 before U.S. theatrical run. Exhibitors pan idea (p. 1).

NEW COMMERCIAL CODE IN THE WORKS: NAB TV Code Review Board's new resolution backs percentage limitations as standard instead of fixed time specifications; it asks for staff study of new guidelines covering content, placement, production (p. 2).

FTC-FCC TO EXAMINE USE OF RATINGS: FTC launches field investigation into practices of broadcasters, agencies, advertisers. FCC to crack down on stations using faulty ratings or manipulating figures (p. 3).

CATV—PROSPERITY & GROWING PAINS: NCTA Seattle convention welcomes broadcasters to fold, voices concern over 'Carter Mountain' decision, hears Research Council projections (p. 3).

EQUAL TIME & POLITICS: Pastore's Subcommittee will hear from top industry executives, others; House debates its equal time measure Jun 19; NAB editorializing committee to meet with FCC (p. 5).

PROGRAM CONTROL CONTROVERSY: Washington lawyers Pierson & Plotkin debate FCC right to influence programming (p. 6).

Consumer Electronics

'YOUTHFUL GIANT' is image sought by 'new Sylvania,' keying ads to GT&E tie and young operating team; Theis gives views on portables, uhf, color, distribution (pp. 7 & 10).

SHELBOND PICTURE-TUBE anti-implosion process, unveiled by Corning, uses metal shell around rim, but no safety glass, pressure band or Fiberglass. Tube makers impressed by simplicity & promise of low cost (p. 7).

COLOR PRICES DROP in GE line, which starts at $449.95 with set which 'can be sold at $399.95,' Magnavox color combo at $795. GE shows 11-in. clock-TV-radio at $149.95, reprices 16-in. & 19-in. leaders at $129.95; Magnavox 16-in. now $119.90. Kimcode tube used in all GE 23-in. sets (pp. 8 & 9).

TV DISTRIBUTOR SALES show biggest 1962-to-1963 gain in April, while radio sales show biggest decline. B&w sales pass 2-million mark in first 4 months (p. 9).

TV IMPORT STEP-UP due for rest of year, with declining prices; Realtone offers 12-in. below $100 and 9-in. all-channel at $79.95, predicts price decline to $59.95 with supermarket & drugstore distribution; other makes due on U.S. market (p. 11).

NBC AS 'MOVIE EXHIBITOR': Nearly a decade ago, NBC-TV uncorked radical TV concept: network telecasts of feature movies before U.S. theaters showed them (Vol. 11:23 p1). Trial run was "The Constant Husband," an Alexander Korda comedy starring Rex Harrison and Margaret Leighton, televised Nov. 6, 1955. Since then, NBC has pulled same stunt at least twice more, with network showings of British-made "Richard III" (1956) and "Macbeth," filmed special for Hallmark (1960) seen in theaters after telecast.

NBC's brainchild is back again, as story broke last week of handshake deal between Lew Wasserman and Bob Kintner, presidents respectively of MCA and NBC, whereby MCA-owned Universal will make season's worth of features for NBC-TV scheduling in 1964. Project stirred up storm of interest both in TV field (agencymen swamped NBC sales dept. with calls) and in movie field.

Particularly interested in project are such agencies as J. Walter Thompson (where Liggett & Myers is biggest buyer, currently, of participation in network movie shows), Young & Rubicam (where Lipton, Beech-Nut & Bristol-Myers are heavy TV movie buyers) and N. W. Ayer (Corning Glass, U.S. Rubber).

Network movie participations are usually bought by advertisers seeking, simply, wide reach at efficient price. NBC's "Monday Night at the Movies," which shows recent (but not pre-theater) Hollywood product, has going price of about $36,000 per spot in fall moviecasts and relatively low cost-per-m track record. Such figures, however, dictate to some extent what sort of movies TV audiences and NBC affiliates can expect from Wasserman-Kintner deal.

There won't be any "Cleopatras" in such a project. Even if NBC premiered a movie which cost $2 million and tried to recoup only half on first run (figuring rest would come from foreign market and theatri-

cal reruns), NBC would have to price participations around $80,000 each—a tab likely to be too rich for most advertisers' diets.

Outlook is therefore in realm of modestly-budgeted "A" pictures of under-$1 million, turned out by Universal on assembly-line basis with few likely to contain "big" (i.e., Cary Grant or William Holden) star names or made by "big" producers (Billy Wilder, Stanley Kramer, et al.). In other words, a fancy, feature-length TV anthology series.

Veteran movie exhibitors have mixed feelings & fears about the NBC-MCA movie project. Source at Trans-Lux (which operates N.Y.-area movie houses and is in TV program field as well) told us: "NBC's deal isn't really likely to remove feature product from the market so much as it is creating a new TV series on film. We might, or might not, book such films in theaters, depending on how well they might draw after TV exposure." An official of a leading movie exhibitor trade organization added: "Sure, TV competes with theaters for reruns of some recent Hollywood pictures, and the deal may not do Universal any good with theater men. NBC may find it tough to develop domestic feature revenue from its pictures, because who wants to pay to see entertainment you can see for free?"

Other TV networks aren't likely to develop similar plans soon. CBS, which officially denies it has even given a thought to network moviecasts, this spring considered such a show but turned down idea on orders from Chmn. William S. Paley, who prefers that TV create its own fare. ABC, with its link to Paramount Theatres, isn't opposed to moviecasts, but doesn't want to make program movies which will hurt movie box office.

NEW COMMERCIAL CODE IN THE WORKS: Asserting FCC lacks realism in its proposal to put NAB commercial Code into govt. rules, NAB TV Code Review Board last week proposed change in Code to use percentage of time—instead of number of minutes—as ceiling for commercials. Board instructed staff to draft recommendations, by next fall's Board meeting, on new guidelines for evaluation of commercials for content, production techniques, placement.

Resolution adopted by Board at 2-day N.Y. meeting—to be voted on at June 24 TV Board session—is designed to give stations more flexibility. NAB says it's particularly concerned about stations in small markets.

No more than 17.2% of any hour during 3 continuous prime evening hours can be devoted to non-program material (commercials, billboards, public service spots, promotion announcements), according to resolution. Other hours it can be as high as 30%, but commercial time cannot exceed 20% of broadcast day.

New prime time percentage standard is almost equal to present numerical limitations in those hours, NAB says—4 minutes of commercial time, plus one minute & 10 seconds of station break announcements in 30-minute period. In non-prime time, 6 commercial minutes are allowed, plus same station break standards. NAB stated that new measure would reduce average permissible non-prime commercial time by 13.5%.

NAB measure criticized FCC for its proposal to adopt commercial limitations rule by incorporating "time" standards of Code (Vol. 3:20 p6)—which NAB now wants to disown. "Such action, even if legally sustainable, would be fraught with rigidity and [would be] unresponsive to changing needs . . . would not deal realistically with the most important criteria of content and placement of commercial messages," Code Board said.

An FCC official said NAB's changes would have to be studied and that Commission might still go ahead with rule if it doesn't like NAB's new standards—but this isn't considered too likely if TV Board adopts Code resolution.

In developing new standards for commercials, Code Authority staff will consider criteria such as frequency of interruption, quality of commercials, how they blend into programming. It will also evaluate placement.

Interview with FCC Chmn. Henry, by Linton Wells, Storer Bcstg., elicited this comment: "Certainly, whatever we do, it's my very definite opinion that it will not put anyone out of business or be an undue economic burden on anyone."

FTC-FCC TO EXAMINE USE OF RATINGS: FTC & FCC, in partnership, jumped into ratings controversy last week. FTC Chmn. Dixon announced investigation to uncover violations in use of ratings by broadcasters, agencies, advertisers. FCC announced it will hold stations responsible for using "valid" ratings and for legitimate use of results in promotion & selling.

FTC will launch full field investigation from Washington, ask rating services how surveys are supposed to be used, before talking to users. Substantial part of investigation will examine some of situations forwarded to FTC by Harris Subcommittee. FTC isn't sure how long study will take, will either issue an interim report or a case-by-case accounting. It's the 2nd ratings investigation for FTC. First one led to Nielsen, ARB & Pulse consent decrees last Dec., prohibiting misrepresentation of accuracy & reliability of surveys.

Joint concern of FTC & FCC lies in this example offered by Dixon: If a broadcaster claims he has a certain audience percentage, based on a survey, and claim is proved to be false & deceptive, "Commission will take vigorous action to prohibit the claim." FTC official told us, however, that Commission isn't quite certain what kind of abuses it's looking for at advertiser-agency level.

Although FCC is partner on TV-radio questions, FTC has primary jurisdiction. Here's how it will work: An alleged impropriety will be investigated by FTC. If it confirms wrongdoing, FTC will issue complaint order. If all parties agree, cease & desist order will be issued. FCC will be kept informed.

In cases of violations reflecting on character & operation of station, FCC can catch station at renewal time. FTC has first crack, under laws governing unfair methods of competition and false & misleading practices.

FCC made clear that it doesn't intend to "discourage valid audience research or its proper use by broadcast licensees in their selling campaigns." It says licensee must take "reasonable precautions" to determine if survey is "properly conceived, reasonably free from bias, has an adequate sample;" also, licensee should act responsibly in the "use he makes of the survey."

FCC Chmn. Henry goes before Harris Subcommittee June 20, will undoubtedly take position that the FTC-FCC action was most effective measure govt. can take. It's believed FCC thinks that any govt. regulation of ratings—or the supplying of ratings, e.g., by Census Bureau—will have net effect of having govt. endorse ratings & assume responsibility for them. This, FCC doesn't want. FCC's thinking, it's understood, is that NAB's plan is sound solution.

But Commission believes that ratings are only one part of problem—that stations have responsibility, as described in program policy statement of July 1960, to seek out & meet needs of community, regardless of high or low ratings. FCC is hopeful that pending new program reporting form will clarify programming responsibilities.

FCC believes that FTC-FCC pressure will induce caution in users of ratings, that they'll be slow to buy ratings until their ills are cured—thus pressuring rating services & rest of industry into faster reform.

CATV—PROSPERITY & GROWING PAINS: The relatively carefree days of community antenna industry's youth are about over. At convention of National Community TV Assn. in Seattle last week, it was more apparent than ever that maturity, prosperity & problems seemed to go hand in hand.

Delegates seem resigned to prospects of eventual govt. regulation, but they're primed for vigorous fight for best terms. They've upped dues (from 5 to 5¾ cents per subscriber per month per member) to pay for litigation, PR, etc. They gave warm welcome to growing number of broadcasters in field, elected to board Cox Stations' J. Leonard Reinsch—TV-radio adviser to President Kennedy. Among other broadcasters on hand were WGN-TV Chicago's engineering vp Carl Meyers and its auditor & controller John Herklotz. A careful observer was Harvey Struthers, CBS station services vp.

With heavy growth of CATV admittedly dependent on use of microwave, CATV operators acknowledged that recent Court of Appeals' "Carter Mountain" decision is rough—giving FCC great power to withhold microwaves when it thinks stations may be hurt. They're anxiously waiting for FCC action on their compromise proposal for legislation (Vol. 3:23 p1). Commission is studying it, and there's no certain

indication what it will do. If FCC doesn't accept it, NCTA is thinking of going to Congress, seeking legislation without Commission's assistance, fighting FCC if necessary.

Carter Mountain decision is "engraved invitation" to stations to object to microwave grants, according to NCTA special counsel Jack Cole. He termed decision "a dramatic departure from precedent—making all radio services subservient to broadcasting." He said "logical extension" is to have FCC controlling CATV through operators' use of long-distance phone. NCTA Pres. William Dalton blasted the "dedicated effort of govt. to regulate." NCTA gen. counsel Robert L'Heureux called decision "creeping socialism."

NCTA is unhappy about multiple-system operator H & B American's pull-out from membership. It represented about 50,000 subscribers out of the 700,000 served by NCTA members—a loss of $35,000-$40,000 dues. However, RKO General's acquisition of substantial share of H & B's stock (see p. 12) raised hopes latter may be brought back to NCTA. RKO is also a major multiple-system owner.

Olympic Hotel was awash with wheeling, dealing & rumors. Brokers were racing around, following tips, negotiating. As for rumors, a persistent one, unconfirmed, was that someone had retained big N.Y. PR firm to fight CATV.

NCTA elected as chairman Fred Stevenson, Rogers, Ark., who was warmly congratulated by Rep. Harris (D-Ark.), who jealously protects CATV. (For other officers & directors, see p. 6.)

One of biggest developments at convention was disclosure of work of NCTA Research Council. Some remarkable work in ETV has been done—tying schools together via cable, feeding ETV stations to homes, etc. As Lawrence DeGeorge, of Times Wire & Cable put it: "Do it soon—or someone else will do it." Tele-PrompTer's Irving Kahn told who: "AT&T is a big competitor." CATV's strong suit is that it can underbid phone company by up to 66%.

Other major Research Council report covered "information services"—weather, news, background music, FM stereo, civil defense messages, etc.—via vidicon pickup. Alfred Stern, ex-NBC vp, now head of Televents group, urged operators to stress local expression—asserting that most communities can't afford TV station to provide it. Local origination, with $3,000 slide system, he said, can offer messages from community officials, public service announcements, time, etc. "We need to become a more active service in our communities," he said. Members were hopeful FCC would take note, since its whole concern is that CATV might kill local stations or preclude their establishment—thus constricting local expression. One system in distressed area feeds "employment service"—a situation-wanted offering for people who can't afford classified ads.

For future, there's thinking of pay TV, fire alarm service, utility meter reading, audience-response measurements (ratings?), merchandising.

Supporting foregoing, exhibitors featured more & more all-band equipment, to enable operators to feed up to 12 TV channels plus FM. Aluminum-shielded cable has big vogue—being light and having low radiation, allowing pumping of more power over longer distances with fewer amplifiers.

Canadian CATV operators have their share of problems, too. Kenneth Easton, secy. of National Community Antenna TV Assn., reported that govt. already regulates systems, held hearing June 4 to consider tighter restrictions. He said he's optimistic about outcome. Canadian CATVs can't get microwave if they're within Grade B contour of stations. In British Columbia, CATVs were declared by provincial govt. to be public utilities. NCATA has obtained temporary moratorium on regulation pending appeal to courts in fall. Easton said country has 250,000 CATV subscribers, 5% of population, compared with 2% in U.S.

NCTA now has 532 system members, 36 associate members (mostly manufacturers), had net gain of 50,000 subscribers last year despite loss of H & B's. Convention had 550 registrants, including 34 Canadians, 96 exhibitors' staff members.

Seems as if everyone is scouring country, seeking sites for new systems. There's report, for example, that WKTV Utica is due for franchise this week. Some far-ranging operators have been to Europe recently, coming back with gleam in eyes. Financing doesn't seem difficult to find for "right" situations. James Ackerman, vp of Economy Finance Corp., Indianapolis, reports making loans to about 80 systems—typically $100,000-$200,000.

EQUAL TIME & POLITICS: Top-drawer & varied witnesses are tentatively set to testify, starting June 26, at Senate hearings on 2 measures (Vol. 3:23 p6) to suspend equal time (Sec. 315, Communications Act).

Communications Subcommittee, headed by Sen. Pastore (D-R.I.), plans to hear: FCC Chmn. Henry, NAB Pres. Collins, CBS Pres. Stanton. Also, Walter Thayer, Whitney Communications, for President's Committee on Campaign Costs; a Socialist Labor Party representative; Senators & Congressmen, names not yet confirmed. ABC will probably send statement from Pres. Goldenson.

House Rules Committee has set June 19 for one-hour debate on measure (H.J. Res. 247) to lift equal time for 1964 legally-qualified Presidential & Vice Presidential candidates (Vol. 3:21 p5).

Sen. Hartke (D-Ind.) last week introduced bill (S-1696) to eliminate equal time for candidates. "It is time that we recognized the maturity of the broadcasting industry and, by repealing this provision, give it a vote of confidence," he said. Suspension worked well in 1960, he stated, and equal time should be repealed rather than suspended election by election.

FCC is gathering material for House hearings on editorializing, equal time & general fairness doctrine that **Rep. Rogers (D-Tex.)** plans to hold next month (Vol. 3:22 p5).

NAB's editorializing committee meets June 20 in Washington to pass on new editorializing guidelines which are being expanded to cover editorials on candidates. Next day, committee will meet with FCC Comrs. Henry, Ford, Bartley & staff.

After Yarborough report last year (Vol. 2:17 p3), NAB took initiative in establishing liaison with FCC on editorializing problems. Yarborough suggestion that FCC adopt rules was attacked by NAB on grounds that these would impinge on broadcaster's freedom & responsibility.

NAB hopes its new guidelines will forestall formal FCC or Congressional action on editorializing standards.

FCC sent Senate Communications Subcommittee a report on 1963 political campaigning on TV-radio, stating that $20 million was spent for time for those off-year elections. Showing growing importance of TV-radio electioneering, that figure was more than $1 million above 1960 campaigning and nearly double 1956, another presidential year.

In 1962, about $12 million came from Democrats, $7.5 million from Republicans, $700,000 from other candidates. TV received about $12.5 million, radio $7.5 million.

———■———

First ETV-fund applications have been received by HEW Dept., which has $1.5 million available out of $32 million authorized for next 5 years. Applicants: Pennsylvania State U., $240,000, seeking Ch. 69 from FCC; N.J. Educational TV Corp., $340,000, Ch. 77; WTTW Chicago, $270,000, now operating Ch. 11, seeking to add Ch. 20 outlet.

Clinton, Okla. CATV system has been bought for $200,000-plus by Okla. Video Corp., headed by Robert Strom, Del Ray Beach Fla., former owner of Strom Steel Ball Co., Chicago. System has 1,200 connections. Broker: Daniels & Assoc.

Personals

Edgar J. Scherick, ex-TV network sales vp, appointed ABC TV programming vp.

Harold E. (Hap) Anderson, consultant to NBC International, named NBC Enterprises mgr., special projects.

Hathaway Watson, RKO General pres., appointed chmn., American Heart Assn.'s Heart Committee of the Bcstg. Industry, Local Div. . . . **Harry Smart**, Blair TV sales mgr., Chicago, elected SRA local chapter pres.

Robert Wogan, NBC Radio programs dir., elected vp . . . **Robert M. McGredy**, TvAR exec. vp, promoted to managing dir.

Ben F. Waple, FCC acting secy., appointed secy. Position used to be a political plum—but it has been reclassified to regular career civil service position.

Oliver T. (Ollie) Trittler, Blair TV salesman, St. Louis, promoted to Los Angeles mgr., succeeded by **William D. McKinstry**, ex-Avery-Knodel.

Martin S. Fliesler, vp-adv. & sales development dir., WOR-TV N.Y., appointed radio KHJ Los Angeles vp & gen. mgr. . . . **Howard Stalnaker**, ex-KPHO-TV Phoenix station mgr., named gen. mgr., WOW-TV-AM-FM Omaha, succeeded by **Gene Spry**, radio KPHO station mgr.

Sydney A. Grayson, ex-pres. & gen. mgr. KYSD-TV-AM Wichita Falls, appointed KOVR Stockton gen. mgr. . . . **Jim Suggs** promoted to KROD-TV El Paso national sales mgr.

Philip Sterling, ex-CBS Radio press, joins CBS-TV network press information dept. . . . **John R. Mulligan**, ex-Fawcett Publications, joins Group W PR dept.

John X. Ward, WTOP-TV Washington merchandising dir., promoted to local sales mgr., succeeded by **Harry F. Langford**, ex-Walter Leaman Co., food brokers.

Obituary

Jack Van Volkenburg, 59, former pres. of CBS-TV network, died in his sleep June 11 at Merrifield, Minn. home. He joined CBS's KMOX St. Louis in 1932, worked up CBS executive ladder, serving as TV network president from 1951 to his retirement in 1956. In 1960, he became pres. of McCann-Erickson subsidiary M-E Productions, left following year. He also was pres. of Bay Area Telecasting Corp., applicant for Ch. 10 Tampa-St. Petersburg. Survivors are wife, son, daughter.

———■———

FCC Comr. Lee Loevinger on June 11 took oath administered by Supreme Court Justice Byron White, went to work immediately, sitting in on June 12 Commission meeting. It's understood that the former Justice Dept. anti-trust chief, a critic of AT&T, showed in the session he intends to pursue the phone company. At swearing-in ceremony, Chmn. Henry said that Loevinger had already earned title of "honorable" through legal experience, that after "dissection by the trade press," he is well known. In unusual action, following Presidential directive, Attorney General Kennedy appointed Loevinger a Special Asst. to Attorney General in matters covering restrictive business practices in international trade; Loevinger will continue as vice chmn. of Restrictive Business Practices Committee of the Organization for Economic Cooperation & Development.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington 6, D. C.
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director
CHARLES SINCLAIR, Contributing Editor

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

TELEVISION DIGEST. Published Mondays. Services: $75-$150 annually.
For group rates & other subscription services, write Headquarters.
TELEVISION FACTBOOK Published Annually
TV & AM-FM ADDENDA Published Saturdays
AM-FM DIRECTORY Published Annually

'PROGRAM CONTROL': Debate over FCC's authority & capacity to influence program content—involving Sec. 326 of Communications Act on censorship—produced these eloquent rejoinders at Federal Communications Bar Assn. luncheon last week:

W. Theodore Pierson, of Pierson, Ball & Dowd—"There is no counter-balancing benefit to the public from govt. interference with mass communicators; only illusions of benefits that never arrive."

Harry Plotkin, of Arent, Fox, Kintner, Plotkin & Kahn—"Public interest must mean what comes out of the receiver—not just the purity and sharpness of the emission, but what the public hears and sees. Govt. supervision is necessary to make sure that objective is met."

Conceding that judicial decisions & FCC practice weigh in favor of Commission's right in such matters, Pierson said there is just as much reason to "reappraise" as there is to "accept" such thinking. Said he:

"In our free, competitive and diversified system, concentration of communication control is a corrupting rodent, regardless of its name . . . Control by a central authority such as the FCC (or NAB) cannot but pollute the very essence of our hope for the future . . .

"The basic issue is not and can not be whether we must have selectors or moderators—but shall we have many or one? One centralized authority, presumably all-knowing and without competition, or many competing moderators among whom authority is dispersed . . .

"It is beyond the capacity of any man or group of men to understand the complex needs and desires of our pluralistic society sufficiently to evaluate the performance of 5,000 stations in 1,500 communities who each broadcast from 10 to 24 hours every day. No mere mortal is that smart."

Arguing on behalf of the Commission's "authority to prescribe standards of quality," Plotkin said: "The profit system is geared to make profits. There is nothing wrong with profits, but public service and profits are not necessarily the same. For example, the profit motive might dictate that dull and boring political campaigning be eschewed. Yet the vigor of our democratic system demands that broadcasting be an essential part of the electoral process."

"A good deal of self-restraint on the part of the Commission is called for," Plotkin emphasized. "A great deal of latitude must be given to licensees to devise their own particular methods of meeting . . . standards." Rather than argue "ad nauseam" on whether Commission has authority, he said, FCBA should help FCC exercise self-restraint "to make sure that in its administration of existing power, a deadening effect on free speech is not created."

This effect is produced when Commission is slow to process program complaints, he said, offering this plan:

(1) If Commission feels no prima facie case is established, it should so advise complainant & station, shouldn't force station into expense of filing comments and guessing what Commission's attitude will be.

(2) If it believes prima facie case is strongly established, Commission should send complaint to station for comments, indicating areas of concern.

(3) All complaints, replies, FCC letters should be open so that public will know about substantial complaints against station and also will see whether Commission is going too far in attempting to impose its will.

(4) FCC should act quickly on all complaints, for fear stations will anticipate Commission objections and prematurely suspend questioned program practice. He said Commission has acted quickly in cases of network controversies, should do same for small stations.

———■———

NCTA officers elected: Fred Stevenson, Rogers, Ark., chmn.; Archer Taylor, Kalispell, Mont., vice chmn.; Jack Crosby, Del Rio, Tex., secy.; R. Lee Stoner, La Grande, Ore., treas. New board members: George Barco, Meadville, Pa.; Benjamin Conroy, Uvalde, Tex.; Douglas Danser, Naples, Fla.; Bruce Merrill, Phoenix; J. Leonard Reinsch, Atlanta; Franklin Valentine, Dallas; Ralph Weir, Junction City, Kan.; Harrold Harkins, Webster Springs, W. Va.; Charles W. Fribley, Corning, N.Y.; William Maginnis, Yreka, Cal.

FCC is trying to guide programming largely through procedural devices, according to Comr. Hyde. Speaking at meeting of Ga. Assn. of Bcstrs., he said: "You might find that procedural legal devices can subordinate basic substantive policy, particularly if an adequate alert is not maintained." Strongest opponent of Commission action affecting programming, among FCC members, Hyde listed these methods used by FCC: public notices, "lifted eyebrow," speeches, inspections, community hearings, record-keeping requirements, letters of inquiry, withholding action on applications, unnecessary hearings, procedural freezes, exacting application forms requiring minute detail. He asserted that FCC can "encourage the larger & more effective use of radio" by "encouraging, not restricting, individuality."

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

'NEW SYLVANIA' IMAGE—YOUTHFUL GIANT: That self-applied description, "The New Sylvania," could have been used several times in recent past to describe that company's consumer electronics operation in its various do-or-die phases. But from our own observation at recent sales convention in Chicago, what is really new at Sylvania—more even than faces or product—is entire corporate personality.

Product lines, as we reported last week (Vol. 3:23 p7) have been completely revamped in crash program, and now show remarkable sheen of beauty & quality. At same time, Sylvania Home & Commercial Electronics Corp., headed by Pres. Robert J. Theis (formerly of Philco), is stressing youth of its new team (average age of executives, 39; of engineers, 36; of product planners, 34).

Sylvania has discovered another asset in its own backyard—or, more literally, in house itself. Nearly 5 years after merger with GT&E, it has decided to make parent company part of its image by calling attention of public to fact that Ford, RCA, GE & Westinghouse aren't only American industrial leaders who make TV & stereo. Sylvania's new consumer electronics trademark features telephone headset and eye, its ads will speak of "telephone quality," its cartons will bear the slogan, "inspired by the telephone people."

Bigness-begets-progress theme was carried through at convention even to featured dinner speaker, Dr. Lee Davenport, head of GT&E's General Systems Labs, who explained that only a large corporation can support big lab facilities, attract best scientists, etc.—and proceeded to illustrate how such telephone-inspired research as microminiaturization would work its way into consumer products within next 5-10 years.

Sylvania has new product, new operating team, new distribution pattern. Next comes the new image. For some views & actions of Sylvania Home & Commercial Electronics' chief image-maker, see p. 10.

CORNING UNVEILS SHELBOND PROCESS: Look, ma—no safety glass! No pressure band. No Fiberglass either. And cheap. And easy to make. And UL-approved in 16-, 19- & 23-in. sizes.

This was pitch by Corning Glass in introducing its new Shelbond process to 50 representatives of picture-tube makers (Vol. 3:23 p7). Manufacturers we talked with were strongly impressed with possibilities.

Shelbond uses 3 components plus tube: Lightweight metal shell, 1 to 1½-in. wide, which fits like rim around edge of tube faceplate (and which can be decorated to blend with tube mask); strip of putty-like gasket material; alcohol-base resin. Processing is simple, fast & inexpensive, according to Corning.

System is similar to Kimcode only in that it requires no safety glass or plastic—either bonded or external. Unlike Kimcode, it uses neither pressure band nor Fiberglass funnel sleeve. No pressure is applied to tube in manufacture. Shelbond uses principal of "dynamic compression," according to Corning engineers, who say rigid shell around rim of tube, in effect, "locks" glass together. If a crack starts, it has no place to go. For split second, crack lets air into tube, equalizing pressure. Result: no implosion, no flying glass.

Bulb used for Shelbond is same type used for Kimcode—standard heavy bulb but with tinted faceplate to compensate for lack of tinted external safety glass. Corning will supply both bulb & .03-in. thick steel shell, at price reported to be very little more than that of standard heavyweight bulb (bulb itself is same price as standard bulb used with external glass). Metal shell contains tube-mounting lugs, thereby saving set maker cost of brackets. Tube makers' manufacturing process is claimed to be extremely simple, and there are indications even further simplifications & economies are on way.

Using same rigid tests as it used on Kimcode, UL has given approval of system in 23-in. 92-degree, and 16- & 19-in. 114-degree types. Tube makers' sampling of set manufacturers will start soon. Bulbs probably will be available in production quantities in early fall.

What will this system do to Corning's own twin-panel bonding process? Corning points out that it's designed principally for "low-cost multi-purpose sets," can't economically be made with reflection-free (Vel-

vetone) surface available on bonded tubes, and doesn't have strength of bonded tube's face assembly (although it is as safe). There seems little doubt, however, that if Shelbond meets general acceptance, it will cut sharply into use of bonded tube.

It certainly competes directly with Owens-Illinois' Kimcode process—but, since it uses exactly same bulb, it shouldn't affect O-I's business one way or other. Kimcode undoubtedly helped pave way for proper psychological climate for Shelbond, by conditioning industry to think in terms of bare-faced tube.

On same day as Corning's Shelbond showing, incidentally, GE announced its full line of new 23-in. sets, all of which use Kimcode tubes (see below). RCA will give details of its own version of Kimcode at this week's IEEE Chicago Spring Conference on Broadcast & TV Receivers.

Shelbond or Kimcode—they both add up to further savings in manufacture, with absolute implosion protection. Manufacturers will be checking, in near future, whether new system—as Corning claims—provides least expensive approach yet.

MORE LOWER-PRICED COLOR & PORTABLES: In a double-whammy, top product news came this week from GE & Magnavox—in color, black-&-white and stereo.

Color: New price leader in GE's line is ebony table model bearing suggested retail tag of $449.95. GE officials, however, said that it could be sold at $399.95, if retailers chose to do so, on same basis as Admiral's $399.95-list color leader. As TV receiver marketing mgr. Marshall Bartlett put it: "We know of no technical breakthrough that makes [Admiral's] new price possible, unless manufacturer, distributor & dealer have sacrificed profit. If this is the case . . . GE is prepared to be competitive." GE showed 5 new color models.

Magnavox's color line, 15 sets long, features combo at surprising $795—lowest of majors so far for one-piece color combo. It starts at $495 with hardboard consolette, including—as do all Magnavox color sets—90-day service warranty. Top of color line is now $1,250 combo with solid-state audio components.

Portables: GE's 11-in. tinyvision line has been extended (from original $99.95 & $109.95) to wood-grained square-cornered table set at $119.95 and unique bedside clock-TV-radio (AM) at $149.95. In 16-in. merchandise, GE took another $10 chop out of its prices, which now stand at $129.95 & $139.95. Its 19-in. line also begins at $129.95 (for promotional ebony no-handle model), meeting Sylvania's starting price in 19-in. category (Vol. 3:23 p7).

Magnavox quietly dropped price of its good-looking Japanese-made 16-in. portable another notch to $119.90 in choice of 2 colors. Its 19-in. sets begin at $149.90. "Videomatic" sets with electric eye automatic contrast-brightness now begin at $179.90 (formerly $229.50).

Other black-&-white sets: GE became first major line to feature Kimcode bare-baced tube—putting it in all 23-in. sets. Drawing on well-known tradename of its lamp div., GE has christened it the "Sealed Beam tube." First 23-in. lowboy now cuts in at $199.95, compared with $239.95 last year and 23-in. combos start at $399.95 (vs. $650 starter in old line), with step-up at $499.95. Remote control now adds $40 to GE retail price.

Magnavox concentrates heavy attention on middle end, with stepped-up values. Top-end 27-in. consoles are now $349.50. New 24-in. consoles with doors covering screen, controls & speakers, are $319.50. Low-end 23-in. Videomatic is $198. Remote control now adds $35-$50 to Magnavox price.

Stereo: Magnavox's Astro-Sonic solid-state radio & sound system is now featured in sets starting at $398—$100 below last year. Stereo coffee tables start at $169.50 with transistorized amplifier. Among other new Magnavox models is table-model all-transistor phono in walnut case with drop-down changer at $139.95. Entering hi-fi component field, Magnavox showed combination changer & solid-state amplifier with separate speaker cabinets at $139.90 (with FM-AM $179.90).

GE showed coffee tables galore, as well as new long-low designs in high-end stereo with solid-state amplifiers. Also in high end, GE joined Sylvania in new trend of providing individual acoustical enclosures for speakers. Last year's wireless home music distribution system has been renamed "Porta-Fi" and made an option on 70% of console stereo line at lower prices ($69.95 for speaker & transmitter, $39.95 for additional speakers).

(For other new-line news, see p. 9.)

TV-RADIO PRODUCTION: EIA statistics for week ending June 7 (23rd week of 1963)

	June 1-7	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV	112,241	107,719	116,694	3,014,953	2,897,009
Total radio	321,962	317,902	358,716	7,566,837	8,195,231
Auto radio	132,711	147,563	150,091	3,366,620	2,883,005

NEW SETS (cont'd): It didn't take **Admiral** long to respond to lower price movement of its competitors in portable field (see p. 8). Admiral Sales Corp., N.Y., introducing line to dealers, showed 19-in. portable with minimum resale price of $129.88 for N.Y. area, and revived 17-in. set with $118.88 price.

Vogue of "functional stereo furniture" took new turn, meanwhile, when **Symphonic** introduced all-purpose decorator series at $99.95 suggested list. Available in 5 styles & 6 furniture finishes with drop-down changer & swivel speakers, units are shipped with 2 sets of legs—5-in. & 10-in. Symphonic suggests that these can be used as "regular console, room divider, coffee table, cocktail table, TV stand, bric-a-brac stand, planter bench, etc."

Symphonic also announced prices on its new line of tape recorders: $89.95, $119.95, $159.95 & $219.95.

GE's recently introduced radio line has some interesting features, including 5-transistor miniature line-cord clock radio at $39.95, transistor FM portable at $69.95. Also introduced were GE's first portable multi-band radios, American-made, at $29.95 (broadcast & marine) and $49.95 (including SW band). GE says this category now accounts for 8% of national radio dollar volume.

—■—

Second annual "TV Set Buyers' Guide" will be published by *TV Guide* as special supplement to its Sept. 7 issue. This year's guide will be 40 pages, with 20 pages of advertising—compared with last year's 32-pp. supplement including 12 pages of ads. Expected to exceed 9 million circulation, *Guide* will contain descriptions & photos of sets from all major 1964 TV lines, "how-to-buy" information, styling & decoration hints, special feature on home entertainment centers. Advertisers in "Buyer's Guide" will be GE, RCA, Sylvania, Westinghouse, Philco, Sears Roebuck & Zenith, according to ad dir. Eric G. Larson. Packard Bell will advertise in 11 West Coast regional editions. Regional editions will feature dealer & distributor advertising.

TV accounted for 30.4% or lion's share of sales dollars garnered by TV-appliance dealers in 1962, NARDA's 16th "Cost of Doing Business" survey established. Runners-up: refrigerators, 15.7%, washers, 13.5%, radios & phonos, 13.1%. Total sales, including revenue from servicing, climbed 7.5%. Service revenue improved to 15.5% of total from 15% in 1961. Merchandise sales slipped fractionally to 84.5% from 85%. Merchandise-service firms increased net operating profit ratio to 1.14% on net sales from year earlier's 0.4%. Total gross margins increased to 28.06% from 27.25% in 1961.

GT&E has received FCC authorization to purchase stock in Communications Satellite Corp.

TV SALES STILL GOOD: Distributor-to-dealer black-&-white TV sales registered their greatest 1963-over-1962 gain in April, while radio sales showed their biggest decline in the same month. TV sales passed 2-million mark for the year during month, and were 8% higher than April 1962, while 4-month period represented 5% increase over same 1962 period.

With coming of spring, radio's 1963 sales slump worsened, with distributor-to-dealer sales down 21% on April-to-April comparison and 15% for year-to-date, as compared with 1962. Radio's bright spots were auto radio, up substantially from last year due to boom in new-car sales, and FM (excluding auto FM), whose production was up 62% in April and 20% for year-to-date.

April TV production figures showed that 13% of total output for month was all-channel as it left factory, up from 10% in April 1962. For year to date, all-channel TV production was running 45% ahead of 1962. Here are official TV-radio sales & production figures, as released last week by EIA:

TV-RADIO DISTRIBUTOR SALES

	Black-&-White TV		Radio (excl. auto)	
Month	1963	1962	1963	1962
January	503,821	465,836	453,348	562,869
February	535,999	521,275	616,036	697,893
March	601,797	580,876	818,510	917,236
April	395,166	364,742	637,443	809,499
TOTAL	2,036,783	1,932,729	2,525,337	2,987,497

BLACK-&-WHITE TELEVISION PRODUCTION

	Total		All-Channel	
Month	1963	1962	1963	1962
January	484,415	488,869	58,032	39,609
February	557,931	541,494	63,713	46,715
March	696,435	659,251	76,481	48,323
April	548,637	510,587	70,405	51,107
TOTAL	2,287,418	2,200,201	268,631	185,754

RADIO PRODUCTION

	Total		Auto Radio		FM	
Month	1963	1962	1963	1962	1963	1962
January	1,229,507	1,350,630	594,505	530,589	87,641	76,510
February	1,389,652	1,464,797	657,691	480,232	75,544	84,216
March	1,568,381	1,810,417	677,613	607,510	100,940	81,010
April	1,359,769	1,472,654	596,899	519,296	102,208	63,193
TOTAL	5,547,309	6,098,498	2,526,708	2,137,627	366,333	304,929

—■—

Guy Hobbs Inc., Dallastown, Pa. TV stand & cabinet manufacturer, is entering phono field with 7 portables & 4 consoles under "Music Master" brand name. Electronics for the units will be made by Sonic Electronics, now under Chapter XI proceedings. Sonic's reorganization has resulted in the naming of Guy T. Hobbs as pres., Charles T. Baxter (onetime RCA Victor TV div. gen. mgr.) as vp-gen. mgr. Former Sonic Pres. Ray Clevens continues as head of sales.

TV IMAGE-MAKER: "There's a lot of telephone in Sylvania TV" says new advertising slogan (see p. 7). There's also a lot of energy in its new team, and much of it is concentrated in Sylvania Home & Commercial Electronics Corp.'s Robert J. Theis, who, in his year at helm, has rejuggled Sylvania's distribution system, brought in new men at virtually all levels of operation and directed crash program to design & produce new line in half the time it should have taken.

Theis likes to hammer home his point that Sylvania is now "a profit line, not a promotional line." Most radical departure in his regime is perhaps the overhaul of distribution—direct factory-to-franchised dealer in large markets, through independent distributors in smaller ones. Currently, he says, 38-40% of company's volume goes to about 900 dealers in direct distribution, the remainder to 3,500 dealers through independent distributors.

Here are some of Theis's views as expressed at recent Sylvania convention:

On costs: "There's very little water left. The battle will be won in 3-4 years from now on the basis of distribution costs, purchasing costs and what's now in the labs. Our whole approach is to have the best distribution base this industry has ever seen."

On portables: "The 19-in. size will account for the bulk of the business for some time to come. In one year, U.S.-made 16-in. portable prices have been eroding from $170 to $130. Japanese equipment must ride lower in the market than American equipment—by $25-$30. An American 16-in. TV receiver would be fantastic at $99.95, but who can get there? The manufacturing cost difference between a 16-in. and a 19-in. is perhaps $2—or closer to $1.50—at the most. To be a substantial factor, 16-in. American-made portables should be priced $8-$9 an inch below the 'go' prices of 19-in. merchandise. With so many manufacturers swimming in the same shallow pool, we question if there's enough 16-in. business to go around.

"Tinyvision—below 16-in.—is a specialty class. It will sample well but sell in limited quantities. We will build our $129.95 16-in. portable at 25% of our portable mix the next 3 months. When the [competitive] need passes, we will withdraw the model."

On color: "There's tremendous interest. The public no longer has fears. 700,000 sets this year is within the realm of possibility. We plan no change in our [$495 & up] color prices." Sylvania begins production of own color sets in Aug.

On all-channel law: Theis takes strong stand that it is "basically good," urges industry to adhere to spirit of law, and makes this pledge: "We will make only all-channel receivers for sale for the home entertainment market after the law becomes effective. We will not stockpile [vhf] receivers in advance, nor will we knowingly help any dealer stockpile in advance. We will not assemble or manufacture vhf sets in any of our Sylvania plants across the country for intrastate shipment. We will not co-op on any TV advertising that might mislead the public on the subject of uhf-vhf reception, equipment or price."

As to future problems for TV industry, Theis sees as one of most serious "the tremendous competition from big soft goods chains—such as J. C. Penney—now going into TV."

One of incentive innovations announced by Sylvania's consumer products operation at convention was borrowed from its tube div.: Company will give distributors & dealers Green Stamps with their purchases of merchandise.

—■—

RCA has realigned Electron Tube Div. and Semiconductor & Materials Div. into new organization of 5 operating units under direction of electronic components & devices vp Douglas Y. Smith. New units & their executives: Commercial Receiving Tube & Semiconductor Div., **William H. Painter**, division vp & gen. mgr.; Industrial Tube & Semiconductor Div., **C. E. (Tex) Burnett**, division vp & gen. mgr.; TV Picture Tube Div., **John B. Farese**, division vp & gen. mgr.; Special Electronic Components Div., **Lloyd R. Day**, gen. mgr.; Distributor Products, **Harold F. Bersche**, division vp. **Dr. Allan M. Glover**, previously vp & gen. mgr. of RCA's Semiconductor & Materials Div., has been named division vp for technical programs.

Campaign to repeal excise tax on all-channel TV sets, approved by EIA board last March, will be discussed by Consumer Products Div. executive committee and Legislative Policy & Tax Committees at EIA's annual convention this week at Chicago's Pick-Congress Hotel. Radio & phono sections will weigh proposals aimed at giving U.S.-made consumer products equal access to overseas military post exchanges. GE vp L. Berkley Davis, 2-term past pres. of EIA, will receive association's Medal of Honor. New association & division officers will be elected.

Monthly transistor sales figure releases have been discontinued by EIA at the request of majority of firms contributing their figures. EIA is continuing to compile statistics on production & sales of transistors and other semiconductors, but now releases them only on annual basis. We've been asked by several subscribers why we've discontinued printing these monthly statistics. It's because they're no longer available.

Ad plans: Admiral will use newspapers in 165 cities as well as national magazines in $1.8 million summer-fall campaign principally featuring TV & stereo . . . **Sylvania** steps up advertising in 3-month $1 million fall schedule keyed to national magazines, newspapers & spot radio . . . **Philco** re-enters network TV sponsorship with 4 hour-long documentaries on ABC-TV this fall, under title of *Philco Presents the World Over.*

Two indoor TV antennas have been introduced by Gallo Electronics. Color Master, designed for both TV & FM, contains transistorized amplifier; "Twin" antenna, without amplification, has separate units for low- & high-band reception. Both are housed in 7x9-in. rectangular cabinets.

Recorded tape cartridges for 3M's stereo tape cartridge system will be marketed under Command label by Grand Award Record Co. within 60 days. Making available 10 albums initially, Grand Award is 3rd record firm to offer music for use with 3M-Revere system.

Westinghouse is furloughing 100 production employes at its Bath, N.Y. tube plant because increasing Japanese imports have whittled anticipated sales, reported plant mgr. Walter Fleck. He said, however, that many would be recalled at end of annual plant-wide vacation July 27.

Trade Personals

Howard B. Saltzman, Alpha Wire pres., elected pres. of Assn. of Electronics Mfrs., newly formed from merger of Producers of Associated Components for Electronics (PACE) & Assn. of Electronic Parts & Equipment Mfrs. (EP&EM). Other officers: Vp, **Robert Svoboda,** Amphenol-Borg Electronics; secy., **Thomas B. Ure,** Hardwick, Hindle Co.; treas., **Wilfred Larson,** Switchcraft.

Donald C. Power, GT&E chmn., receives American Heart Assn.'s "Heart & Torch" award for "outstanding leadership and distinguished service."

Robert H. Tucker elected Minnesota Mining & Mfg. vp & secy. . . . **F. Philip Hunt** elected Corning Glass vp & industrial relations dir.

George H. Fezell, onetime (1956-61) Magnavox vp & gen. merch. mgr., and for past 2 years with Montgomery Ward, rejoins Magnavox as TV-Radio Div. sales mgr., with N.Y. hq; **Harold Lembke,** ex-Hammond Organ, named Electronic Organ Div. mktg. dir. Fezell & Lembke also will become Magnavox corporate vps. **Richard Kelly** & **Dale Kelly** appointed Consumer Products Div. eastern sales mgr. & western sales mgr., respectively.

Robert M. Morris, formerly RCA International Ltd. vp in Rome, elected pres., National Foreign Trade Council.

Eugene M. Kinner, Zenith vp & dir., appointed pres. of newly formed Zenith Hearing Aid Sales Corp., a wholly-owned subsidiary.

Tucker P. Madawick, RCA Sales Corp. mgr. of industrial design, has been named Industrial Designers Institute exec. vp in charge of its 13th Annual Design Awards Program, to be held in Rochester Oct. 3-5.

Lewis C. Meyer, ex-deputy for financial analysis to Air Force Asst. Secy. for financial management, named Communications Satellite Corp. financial coordinator.

Victor Muscat, chmn. of B. S. F. Co., also elected TelePrompTer vice chmn. & a dir. (p. 12).

George Liebowitz elected TelePrompTer secy., treas, & chief financial officer.

Daniel O'Connell named mktg. administrator, Jerrold Electronics' Distributor Sales Div., a new post.

Ira James, ex-Polarad Electronics, named Pilot Radio administrative coordinator, a new post.

Joseph Burns appointed mgr. of newly established Advanced Research Lab of Du Mont Labs' Electronic Tube Div.; **Howard W. Grossbohlen,** ex-RCA, rejoins Du Mont Labs as product development mgr.

P. O. Willett, mgr. of Warren Radio, Kalamazoo, Mich., elected a vp of National Electronic Distributors Assn.

Obituary

Edward T. Lockwood, 59, asst. vp of AT&T, died June 7 in Bridgeport, Conn. hospital. He is survived by his widow & 3 daughters.

Distributor Notes: **Admiral** appoints **John A. Kenney** regional sales mgr. for distributors in Atlanta, Birmingham, Knoxville, Nashville, succeeding **R. F. Mewburne,** resigned • **Zenith's** Atlanta distributor, **Graybar Electric,** appoints drug wholesaler **John B. Daniel Inc.** associate distributor for Zenith radios only.

TV Import Step-up: Rapid acceleration of imports of small TVs can be anticipated for rest of year, accompanied by declining prices.

Latest to announce entry into TV is big Realtone Electronics Corp., which claims title [disputed by Channel Master] of largest U.S. radio importer. Its own plant in Japan, which produces for export only, will have shipped one million radios to U.S. this year, according to Realtone Pres. Ely E. Ashkenazi.

Realtone at week's end demonstrated 12-in. plug-in portable, weighing less than 20 lb., designed to retail below $100 "with full dealer markup," and announced promotional 9-in. all-channel plug-in set for "profitable" sale at $79.95 for spring 1964 delivery. Both sets have 110-degree square-corner tubes. Ashkenazi said he hopes mass production will permit reduction of 9-in. to $59.95 or $69.95 within few years.

Also announced by Realtone: 6-in. all-channel battery portable, unpriced, for delivery between spring & fall 1964.

Ashkenazi believes tinyvision sets will create new market, as did miniature radios, and eventually expand TV sales to 15-20 million units a year. Realtone plant itself is geared to turn out 10,000 plug-in TVs a month. He said Realtone will aim at chain store market, hoping to break into drugstore & supermarket trade, which he sees as ideal showcases for "impulse items" like tinyvision. "We feel," he said, "we belong in the small-screen market," while American manufacturers are perfectly capable of satisfying 16-, 19- & 23-in. demand.

In addition to TV, Realtone is diversifying into personal & professional telecommunications equipment, movie cameras & projectors, tape recorders.

In other TV import developments last week: (1) Delmonico began deliveries of its 4½-in. battery TV ($149.95 plus $24.95 battery), announced 9-in. plug-in TV at $99.95, and 14- & 17- in. color sets ($369.95 & $399.95) for delivery next month. (2) Channel Master accelerated deliveries of its 8-in. battery TV ($239.95, battery $19.95), saying it was substantially back-ordered, and was planning to introduce 16-in. this summer. (3) Germany's Loewe Opta promised U.S. deliveries in Aug. on unpriced 10-in. battery all-channel set.

EIA will publish next June a revision of its 2-volume guidebook to servicing of home entertainment electronic equipment, "Advanced TV Servicing Techniques" & "Advanced Servicing Techniques." Updated version will include color TV servicing data. More than 42,000 copies of original guidebook have been purchased since its publication in 1954.

All-channel TV seminar will be sponsored by EIA July 22 at Music Show in Chicago's Palmer House. FCC Comr. Robert E. Lee will give keynote address. Panel, moderated by Dir. Seymour Siegel of WNYC-TV N.Y., will consist of engineers Harris O. Wood, Philco; Robert G. Weston, FCC; Jack D. Beever, Jerrold.

Magnavox has moved some of its executive offices from Fort Wayne to N.Y., on 15th floor of Union Carbide Bldg. Involved in transfer are treasurer's office, credit dept. and sales, ad & PR executives.

Electronic Specialty Co. will be listed for trading on N.Y. Stock Exchange July 1. Symbol: ELS.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Electro-Voice	1963—year to Feb. 28	$ 11,490,507	$ 180,024	$ 104,895	$0.21	497,332
	1962—year to Feb. 28	12,150,667	779,818	392,908	.79	497,332
Harvey Radio	1963—qtr. to Apr. 30	1,773,084	——	84,799	.11	770,000
	1962—qtr. to Apr. 30	1,716,100	——	81,602	.11	770,000
Seven Arts Productions	1963—year to Jan. 31	19,407,905	——	1,705,793	1.08	——
	1962—year to Jan. 31	15,990,874	——	1,100,555	.85	——
TV Shares Management	1963—6 mo. to Apr. 30	955,002	295,674	149,174	.15	1,018,500
	1962—6 mo. to Apr. 30	1,366,648	748,097	367,258	.36	1,018,500
United Artists	1963—qtr. to Mar. 30	26,994,000	1,084,000	578,000	.32[1]	1,803,542
	1962—qtr. to Mar. 30	32,065,000	1,757,000	916,000	.51[1]	1,729,473

Notes: [1] Based on 1,803,542 shares outstanding March 30, 1963.

TelePrompTer Pres.-Chmn. Irving B. Kahn is selling 40,000 of his 55,000 shares to B. S. F. Co., a holding company, for $240,000. The stock block represents 5.3% of TelePrompTer's total 762,000 outstanding shares. Three B. S. F. executives were elected to TelePrompTer's 9-man board: Chmn. Victor Muscat, Pres. Robert L. Huffines, exec. & finance committees chmn. Edward Krock. Muscat also was named TelePrompTer vice chmn. "This is not a takeover," Kahn emphasized, adding that he plans to buy back the stock later under an option of the transaction. The repurchase option becomes effective at $6.50 a share 6 months after sale is completed. Thereafter, price will increase 50¢ a share every 6 months, up to $10 a share. Stock is being sold and B. S. F. officers are joining TelePrompTer's board, he said, "to make available considerable" B. S. F. capital for TelePrompTer financing & expansion.

Supervised Investors Services, re-named from TV Shares Management (Vol. 3:21 p12), will reduce its fees for investment & other management services to TV-Electronics Fund under proposed new rates subject to approval of latter's shareholders. In lieu of present charge of 0.5% on Fund's total assets, the advisory firm proposes a sliding scale of charges ranging from 0.5% on the Fund's first $215 million to 0.25% on assets in excess of $800 million. Supervised Investors Services Pres. John Hawkinson estimates new fee schedule will save Fund shareholders $205,000 annually.

United Artists' sales & earnings dropped in 1963's opening quarter (see financial table) & Pres. Arthur B. Krim told annual meeting that 2nd-quarter figures would drop in a "relatively similar manner" from year earlier. However, he forecast that year would total out as "satisfactory," that 1964 would be "tremendous." Factor in future improvement is UA's increasing TV business. UA TV shows, he said, will occupy 4½ hours weekly of network time next fall vs. one hour last fall, and income from new TV shows will be reflected in 1964.

RCA Victor Co., Montreal, has sold $8 million of 5¾%, 20-year promissory notes to institutional investors through Lehman Brothers, Lazard Freres & Co. and Greenshields Inc. Proceeds will be used to reduce bank loans & general corporate purposes.

GT&E's 2nd-quarter earnings are some 10% ahead of a year ago & revenues and sales are running about 5% ahead, Chmn. Donald C. Power told Milwaukee Investment Analysts. "I would expect net income for the 2nd quarter to be about 30¢ a share against 27¢ a year ago," he said. For total year, "we are currently estimating something over $1.25 a share [vs. $1.15 in 1962] and in view of our first-quarter results [Vol. 3:16 p12] and our estimates for the 2nd quarter, I would say this is not unduly optimistic. In fact, it is reasonably conservative."

Hewlett-Packard expects sales in its 1963 fiscal year ending Oct. 31 to climb to about $120 million from $109.1 million in fiscal 1962. (For first-half report, see Vol. 3:23 p12.) Pres. David Packard foresees earnings topping year-ago's $7.1 million or 62¢ a share. Current expansion plans, he noted, include new $2 million oscilloscope facility in Colorado Springs, Colo., addition to plant in Stuttgart, West Germany.

Video Independent Theatres has increased its holdings of H & B American common stock to 343,855 shares—or 13.3% of total 2,575,192 outstanding. Video Independent Theatres, subsidiary of General Tire & Rubber's subsidiary RKO General, also owns $1.2 million of H & B's total $2 million 6% convertible debentures, which are convertible into common stock at rate of $4 per share.

Hitachi, one of Japan's largest electrical & electronic equipment manufacturers, has filed SEC registration for 75 million common shares to be offered publicly around July 10 through underwriting group headed by Dillon, Read & Co. and Yamaichi Securities Co., N.Y. Offer will be in form of 937,500 American Depositary shares.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk.of Record*
Axe Science & Elec.	—	$0.08	July 19	June 28
Clevite	Q	.35	June 28	June 17
Columbia Pictures	Stk	2½%	Aug. 15	June 28
Decca Records	Q	.30	June 28	June 17
Eico Elect. Instr.	Q	(omitted)	—	—
ITT	Q	.25	July 15	June 21
Universal Pictures	Q	.25	June 27	June 17
Western Electric	Q	.90	July 1	June 20

NAB LIBRARY

WEEKLY **Television Digest**

with

Consumer Electronics . . . (starts page 7)

JUNE 24, 1963

NEW SERIES VOL. 3, No. 25

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

CLIMAX ON EQUAL TIME, EDITORIALS: House passes 1964 equal-time suspension, Senate starts its hearings this week, Rogers sets date for House editorializing hearings, NAB warns against any govt. editorial standards (p. 1).

FCC'S PRE-RECESS AGENDA includes heavy load of major matters Commission hopes to finalize or move big step forward (p. 2).

RATINGS—NAB PROGRESS, FCC VIEW: First Rating Council meeting in N.Y. looks at RAB's Audits & Surveys radio proposal, appoints new executive committee; FCC Chmn. Henry appears before Harris; Harris appears at N.Y. meeting (p. 2).

THE 'FORD POSITION' ON LOCAL-LIVE, likely to prevail over the years, insists stations must show FCC they've really canvassed community & plan to program accordingly (p. 3).

FCC SEEKS $16.5 MILLION: Commission appears before Senate Subcommittee on fiscal 1964 budget, is quizzed on local live, translator backlog, relationship of programming to number of stations (p. 5).

Consumer Electronics

16-IN. TV AT $99.95 climaxes season of price-cutting, as Emerson chops $30 from list price of U.S.-made set. Pres. Abrams says it will be sold 'without restriction' and without tie-ins. Industry studies move, withholds comment (p. 7). More price cuts in Emerson's line (p. 10).

EIA CRUSADES FOR ALL-CHANNEL TAX REPEAL: Moves to have legislation introduced in House Ways & Means Committee next month. As expected, push will be for repeal of tax on all-channel sets only (p. 7). Other news on EIA convention (p. 10).

SHELBOND PICTURE TUBE is launched with a bang, but tube manufacturers still find its cost-reduction potential attractive, despite incident at demonstration; bonded tubes reach new popularity (p. 8).

JAPANESE TV SETS NEARING UL APPROVAL? Several makes now undergoing investigation and 'a couple are coming close to approval, but are not there yet,' we are told (p. 9).

RCA'S ANTI-IMPLOSION rim-band TV tube is Kimcode variation that uses welded band instead of crimped seal. New Pan-O-Ply tube goes into production late this summer; cost will be near Kimcode's (p. 11).

CLIMAX ON EQUAL TIME, EDITORIALS: Since everyone in Washington seems to want a finger in the equal time & editorializing pie, it may be helpful to put current developments in one-two-three order:

(1) House passed H. J. Res. 247 last week, 263 to 126, to suspend equal time (Sec. 315, Communications Act) from Aug. 20 through Nov. 2, 1964 for candidates for President & Vice President only.

(2) Sen. Pastore (D-R.I.) starts hearings June 26 on 3 measures (Vol. 3:24 p5, Vol. 3:23 p6) to either suspend or repeal equal time for 1964. He'll hear: FCC Chmn. Henry, Sen. Hartke (D-Ind.), NBC Chmn. Sarnoff, CBS Pres. Stanton, statement from ABC Pres. Goldenson, attorney Paul Porter for President's Committee on Campaign Costs, probably NAB Exec. vp Wasilewski, a Socialist Labor Party rep, radio WQXI Atlanta Exec. vp Barry Sherman, possibly statements from Democratic & GOP National Committee chairmen. Pastore also invited nation's 50 governors to testify or send statements because one bill exempts their campaigns.

(3) Rep. Rogers (D-Tex.) set July 15 for hearings on editorializing. He told us he's mostly concerned with fairness doctrine.

(4) Rep. Moss (D-Cal.) introduced HR-7072 last week "to assure fairness in editorializing;" it would make Sec. 315 equal opportunities apply to editorials for or against political candidates, not only to time given nominees. It would also ban editorials 2 days before any election.

(5) NAB's Editorializing Committee met in Washington last week, said it was "unalterably opposed" to measures such as Moss's. NAB's 2nd edition of "Editorializing on the Air," expanded to include guidelines on political issues & candidates (Vol. 3:24 p5), will be shown this week to NAB Board. It was also major discussion point between NAB Pres. Collins & staff and FCC commissioners & staff last week.

Meeting was closed to newsmen, but word was that FCC representatives indicated they sympathize with NAB view that restrictive rules shouldn't be promulgated. An NAB spokesman said he thought Com-

mission showed that it would oppose any Congressional attempt to impose govt. standards. NAB will conduct 2-part survey: (1) Postcard poll to determine extent of editorializing. (2) Depth study of editorial case histories from stations which editorialize heavily.

Rogers hearings on editorializing will examine "whether or not fairness prevails." "We're on a fishing expedition," he told us. "We want to find out if editorials are influencing the people without telling all the facts." He said he's concerned with local matters as well as political issues.

Format, content, time involved in editorials will be scrutinized. Rogers states he isn't trying to frighten broadcasters away from on-air stands, but "we're trying to establish a policy by which broadcasters will know their responsibilities on equal time and by which the public will know where it stands."

House debate on 1964 equal time suspension underscored mounting Congressional concern over TV's influence at election time. Echoing minority view as contained in Commerce Committee report (Vol. 3:23 p6), Rep. Williams (D-Miss.) said: "Who is to make the determination of who is a major candidate?" He answered with names of the 3 network heads.

Rep. Harris (D-Ark.), referring to those particularly in the South who feared national time wouldn't be given to 3rd parties, stated: "I am confident that the networks, out of fairness, will offer time to a 3rd party." Rogers said: "Don't nominate anyone who doesn't make a good TV appearance because he is going to be on it whether he likes it or not."

House killed amendment by Rep. Ryan (D-N.Y.) that would have limited suspension to joint appearances by candidates, as in the 1960 debates. Rep. Widnall (R-N.J.) called for conferences by FCC, Congressional committees & industry to set up "rule of thumb" on TV-radio appearances by incumbent Presidents during election years. Problem, he stated, is differentiation between partisan talks & crisis situations.

FCC'S PRE-RECESS AGENDA: FCC will try to move a number of major matters before traditional Aug. recess, may well consider the following in the mere 5-plus weeks remaining—a mighty big chunk to chew:

(1) Clear way for conferences with networks on giving uhfs programs not carried by vhf affiliates.

(2) Get ready for en banc hearing on radio programming, probably getting field studies lined up.

(3) Get near-final agreement on TV program form.

(4) Issue Chmn. Henry's Omaha local-live hearing report.

(5) Promulgate final FM allocation plan.

(6) Issue final report on AM pre-sunrise proposal.

(7) Take final action on proposal to require stations to keep applications on hand for public inspection.

(8) Finalize proposal to open network affiliation contracts to public at FCC hq.

(9) Finalize automatic logging & operator rules.

(10) Issue proposed "saturated" uhf allocation plan.

(11) Propose rules for airborne ETV operations.

RATINGS—NAB PROGRESS, FCC VIEW: NAB's Rating Council met for first time in N.Y. last week: (1) Named executive committee to keep pressure on reform actions. (2) Started work on methods questionnaire for rating services. (3) Formulated letter to be sent this week to all rating services outlining program & asking for final support. (4) Took a look at Audits & Surveys Co. proposal for new radio methodology study as advocated by RAB.

In other developments, FCC Chmn. Henry testified before Harris Subcommittee. As we forecast (Vol. 3:24 p3), he said recent FTC & FCC measures should not only discourage improper use of ratings by broadcasters, but should shorten time taken by raters to improve.

Rep. Harris (D-Ark.) told Sales Executives Club in N.Y. that "last resort" possibility of legislation could take form of requiring full disclosure by rating services of their methods & limitations on accuracy.

NAB is pulling out all stops to push its program across. It's not generally known that NAB Pres. Collins & Research vp Goldberg met 2 weeks ago with top Bureau of Census men—Conrad Taeuber & Morris Hansen—on their views & possible help on methodology.

New executive committee of Rating Council is composed of N.Y. executives who can gather quickly to expedite reform moves: Group W, McGannon; CBS, Fisher; NBC, Beville; ABC, Segal; TvB, Cash; RAB, Bunker; plus NAB's Goldberg who serves ex officio on all Council committees. Beville also heads subcommittee to develop methods questionnaire to serve as basis for accreditation. It's expected questionnaire will go out in 30-60 days. Also in this group are TvB's Arons, RAB's David, plus possible AAAA representative.

Membership was filled in on Criteria & Standards Subcommittee, headed by WJTN Jamestown, N.Y.'s Goldman, & Audit Subcommittee, headed by WMAL-TV Washington's Houwink.

After meeting with RAB and Audits & Surveys, NAB unanimously passed motion stating that A&S project (Vol. 3:23 p3) has "considerable merit." More conferences are planned—"looking for the time when specific recommendations [to NAB Board] and affirmative action can be taken." NAB still hasn't committed itself to co-partnership with RAB in the A&S study.

NAB has respect for A&S methods but believes plan is still too embryonic to base commitment. RAB was encouraged by NAB stand, said it's closest they've been to "merger of efforts." A&S plan also indicated that study will be of some help to TV—in checking problem of diary fulfillment errors & homes that won't cooperate. Study would evaluate comparative costs of various types of research.

Representing AAAA at NAB meetings were Robert Sorenson & Edward Marshall. William Kistler was there for ANA. NAB would like these 2 groups to have more than present "liaison" status, but so far they've not indicated such desire. As to requests that Advertising Research Foundation participate, here's NAB view: It's willing to consult with any recognized group or individual on any aspect of reform program. However, NAB doesn't think ARF could be part of Rating Council because it's already a tri-partite committee.

In his testimony, FCC Chmn. Henry criticized "overzealous use and blind adherence to ratings," said responsibility for programming belongs to broadcasters—not to networks, agencies or rating services. He said that new program reporting form—due before year end—will clarify licensee responsibilities to meet needs of community, regardless of ratings, no matter how accurate.

Under questioning by Charles Howze, Subcommittee chief counsel, Henry said he would undertake to document cancellations of network programs brought about by ratings. He also said that move by FTC & FCC means broadcasters will have to exercise caution & restraint in use of ratings in trade press & newspaper ads—possibly even stating sample size. At hearings, Harris renewed suggestion networks do a documentary on ratings to keep public informed. He said he wouldn't want to be in it, however.

THE 'FORD POSITION' ON LOCAL-LIVE: Republican FCC Comr. Fred Ford has at times found ex-Chmn. Minow & Chmn. Henry moving for more industry regulation than he can take—but he remains fiercely determined in one particular area. He intends to see that his brain-child when he was chairman—the 1960 Program Policy Statement—brought to fruition. It states that stations must show FCC that they've made a genuine effort to learn what their communities need and how they intend to meet these needs. (For full text of Statement, see Special Supplement, Aug. 1, 1960.)

Last week, Ford strongly repeated his beliefs, in speech titled "Local Live Programming in Prime Time," before Va. Assn. of Bcstrs. He traced history of subject, said Congress, courts & Commission have always held that FCC has right to expect stations to program for local needs. We think Ford's views are pretty close to what will prevail most of time in coming years, though pendulum will swing back & forth through his position, from one administration to another. So quotes from his conclusions are well worth noting:

"It is not, in my opinion, proper for the Commission to speculate or second-guess licensees on what they should or should not broadcast, the content of their programs, and the time they are scheduled, aside from certain limitations on profanity, fraud and so on, but it is our responsibility to see to it that licensees seek out the needs of the public, evaluate those needs and serve them. How they do it is their responsibility, but the fact that they do it is our responsibility.

"Over the years you have heard a lot I am sure about censorship by the Commission and 'regulation by lifted eye-brow.' I am satisfied that no one can successfully maintain that the Commission has ever

engaged in a policy of censorship. The Congress, the Courts and the Executive Branch—through Attorney General Rogers' 1959 Program Report to President Eisenhower—all support the proposition that the vigorous enforcement by the Commission of its statutory obligations constitutes neither censorship nor an improper abridgement on the right of freedom of speech. As a matter of fact, aside from the Constitution and Section 326 limitations on the Commission, I have never heard of a bill even being introduced in the Congress to prohibit, as a matter of policy, the Commission's consideration of programming as a part of its licensing function.

"We have had perhaps not quite so much success in refuting the charge of regulation by lifted eyebrow. Consequently, in closing, I say to you that if you have preserved the evidence of your efforts to seek out the needs of the area you serve; if you have evaluated the needs of your area for local live programming and determined in good faith the amount, type, content and time of local live programming to meet the needs of your area balanced against their needs for national programming, and have broadcast programs substantially in accordance with that determination, then you have the facts, the evidence and the law on your side which all of our collective eyebrows cannot change.

"The Commission in the past has pointed to the need for local programs 'during the best listening hours,' but this in my opinion calls for a judgment that the licensee is particularly qualified to make, taking into account such things as the listening and viewing habits of his audience and the programming of other stations that will be competing for their attention. I have found nowhere at anytime a requirement that stations broadcast local live programming in prime time. Perhaps they should, but only based on the evidence which the local station acquires can the 'best listening hours' for local live programming be determined. Each broadcaster must rely on the evidence in his area before making that determination.

"In this country broadcasters are free and the Commission's Report and Statement of Policy of 1960 is a reaffirmation of that freedom."

"Arm-twisting" of TV-radio stations by Agricultural Dept., on wheat referendum, was charged by syndicated newspaper columnist Richard Wilson last week. He quoted from memo sent by Dept.'s Ray Fitzgerald to field man, including: "As you know, interests representing one point of view in the referendum are blanketing radio & TV stations with material in heavy quantities. It is not expected that we can match the flood of material from this group, which is also in a position to buy time. But it is essential that we act aggressively to make use of public service time . . ." Wilson said field men were told to remind stations that their renewals might depend on their carrying "public service" programs such as sought by Dept. FCC Chmn. Henry was queried about matter during his testimony on ratings before Harris subcommittee, didn't know about it, said: "Broadcasting is our responsibility." FCC will give subcommittee a report. Said one Commission source: "Taken as a whole, the memo isn't as horrendous as indicated. But some of it is as injudicious as hell—and if Agriculture had asked our advice we'd have said so."

Communications Satellite Corp. purchase of all international communications facilities, proposed by RCA Chmn. David Sarnoff (Vol. 3:22 p5), was attacked by ITT Pres. Harold S. Geneen as move to "abandon" competition instead of strengthening it. Geneen suggested, instead, that Congress allow merger of "record" (non-voice) carriers and that ComSat be a "carrier's carrier." Merger of record carriers would involve divisions of ITT, RCA & Western Union. Sarnoff plans response to Geneen proposal.

New affiliates: WHNT-TV (Ch. 19) Huntsville, Ala., CBS-TV, EMP, Sept. 1; KECC-TV (Ch. 9) El Centro, Cal., ABC-TV, primary, Sept. 1.

FCC option time ruling (Vol. 3:22 p1) is expected to be subject of petitions for reconsideration by ABC & CBS; it seems fairly certain NBC won't challenge ruling. Networks' affiliate associations, ABC's particularly, are likely to seek reversal or amelioration, too. No one expects FCC to reverse itself and reinstitute option time—but filing petition with Commission gives appellants better base to argue from in later court appeals. It's also expected FCC will be asked to permit fulfillment of affiliation contracts extending beyond Commission's Sept. 10 deadline. One danger in going to courts now: Original appeal by KTTV Los Angeles argued that option time was an anti-trust violation. FCC didn't rule on that—but if court held against networks on anti-trust basis, they'd risk treble-damage penalties.

New Mexico law governing advertising by optometrist over radio station doesn't conflict with Federal law and FCC powers, U.S. Supreme Court has ruled. Radio KHOB and a newspaper had carried ads of a Texas optometrist, and State of N.M. had declared ads violated state law. KHOB appealed, stating that Communications Act preempted control of such interstate commerce and gave overriding power to FCC. Commission & Justice Dept. agreed with KHOB, but Supreme Court said that Constitution "never intended to cut the States off from legislating on all subjects relating to the health, life, and safety of their citizens" even if interstate commerce may be involved. Net effect: Status quo re FCC powers.

U.S. space & radio astronomy allocations proposals, to be advanced at Oct. 7 Geneva conference, have been issued through FCC. Text of 86-page document will be printed in *Federal Register*, may be inspected at Commission offices until available in *Register*.

FCC SEEKS $16.5 MILLION: Asking Congess for $16.5 million—$1.5 million more than last year—FCC last week told Senate Appropriations Subcommittee increased applications & processing rather than new legislation causes stepped-up workload. Sen. Allott (R-Colo.) couldn't see need for more stations, said increase was leading to program deterioration.

Increase in programming choice is only way to improve quality of programming, said Henry. Allott questioned that: "I think the overall quality under the dynamic leadership of your predecessor has completely torn the insides out of good programming."

Subcommittee members asked about delays in processing translator applications. There's only one man doing the job and he's now Comr. Cox's legal asst. Cox said Commission has extended license terms so that they don't come up for renewal too often, said that one of the big problems is unfamiliarity by operators with govt. regulations. Broadcast Bureau Chief James Sheridan seemed to satisfy senators by noting that translator starts are seldom delayed; renewals may be slow sometimes, he said, but translators keep going. Sheridan also noted declining rate in translator applications from 2,000 in 1962 to probable 1,500 in 1963 & anticipated 1,400 in 1964.

On license fees, Henry said Commission expects to recoup 20% of FCC operating costs but stated FCC needs $75,000 to get fee-collecting program going. Sen. Magnuson (D-Wash.) didn't think that money was necessary —"to bundle the checks up and take them to the Treasury?"

Proposal to limit commercialization would incorporate spot checks, Henry said, adding that no one would rather stay out of this area more than the Commission, but that broadcasters haven't taken care of problem themselves.

Local live hearings in Chicago & Omaha produced some hot comment. Sen. Hruska (R-Neb.) probed cost & preparation involved. Chicago took 9 days, Omaha 10; cost for both was estimated at $5,000, excluding salaries.

Hruska asked Henry: "You mean your time is worth nothing, so you did not put in anything for the time?" He added: "It was sure a painful way to do it," referring to Omaha. "If there are any additional hearings like that, I would like to be informed of it," he said.

———■———

"Kenyon & Eckhardt Market Guide" is new compilation showing markets "fundamentally in terms of U.S. TV coverage" because "the TV area is the market" to many advertisers. Framework of market areas is 27 Nielsen Food & Drug Index areas, using series of maps. Data includes total households, TV homes, food-drug-income figures, originating channels' share of audience, radio & print information, key supermarket & drug chains, etc. Also included are marketing & media factors for 217 TV coverage areas, according to rank, using ARB material. Project is under Stephens Dietz, K&E senior vp & mktg. services dir., who believes book will be particularly useful to those selecting test markets for new products. Volume is offered at $15 from K&E, 200 Park Ave., N.Y.

SMPTE moves its N.Y. hq office July 1 to 9 E. 41 St., N.Y. 17. Phone: TN 7-5410.

Increased network rates for CBS and NBC will face advertisers by year's end. CBS-TV mailed Rate Card No. 16 to clients last week. Among changes: for lineup of 192 U.S. stations, CBS basic Class A hour rate is $142,490 (although this will go to $144,180 on basis of listed increases by end of year); Class D (marginal time) segments are now merged with Class C and Morning Plan (although advertisers currently on D rate will have 6-month protection from June 15); rate, discount & sales policy information are printed on inside of folder, with rate revisions available in form of drop-in sheets. NBC-TV is putting final touches on new rate data. Among changes: Class A hour rate will be $143,995 for lineup of 203 stations (although due to rise to $146,550 by end of year for similar lineup). ABC-TV does not plan rate revision in near future, we're told.

Eloquent NAB Pres. Collins is delighting broadcasters with strong language against FCC's proposed imposition of commercial ceiling based on NAB Codes—as much as he upset industry's "schlock operators" by his early attacks on them. Said Collins in Jacksonville speech: "We will take our case not only to the Commission but, if necessary, to the Congress, to the people—and even to the courts. If we lose this battle the cause of free broadcasting will be irreparably crippled. The whole cause of broadcast self-regulation may be lost . . . [The FCC] may well be seeking to impose on the broadcaster a suffocating blanket of obsolescence."

Move of Ch. 6, Providence from Martha's Vineyard to Tiverton, R.I. has been upheld by Court of Appeals. Main claim of Rhode Island TV Corp., challenging FCC action, was that move should have been done through rule-making and that it should have had crack at applying for channel held by WTEV. Commission had ruled that move wasn't a channel reassignment, that station was still assigned to New Bedford—and Judges Bazelon, Washington & Burger agreed.

Portable video-tape recorder developed by Machtronics Inc. and weighing 60 lb. (Vol. 3:13 p6) will be used by ABC-TV news team covering President Kennedy's trip to Europe this month. One machine will be located at Idlewild Airport to cover President's departure & arrival; another will travel with newsmen covering trip. ABC will also use machine in 1964 Winter Olympics' coverage. According to ABC Engineers Pres. Frank Marx, it "will open a whole new field of electronic reporting."

Backlog of color commercials is being stockpiled by Bell Telephone of Pennsylvania, which believes color eventually will be available on virtually all major stations. Pennsylvania Bell is currently filming all commercials used in regional 9-station programs (newscasts, etc.) via Gray & Rogers in color, although only 2 stations are actually airing them this way. Colorcasting stations are WFIL-TV Philadelphia & WGAL-TV Lancaster, with WTAE Pittsburgh to be added shortly.

Network TV gross time billings for first quarter totaled $204,254,218 compared with $194,618,376 for same 1962 period, a gain of 5%, TvB reported. By network: ABC-TV, $55,074,175 vs. $50,194,007, up 9.7%; CBS-TV, $76,726,549 vs. $74,788,854, up 2.6%; NBC-TV, $72,453,494 vs. $69,-635,517, up 4%. Biggest first-quarter percentage gain was in daytime weekend billings up 32.9% to $14,557,566 from $10,952,918.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington 6, D. C.
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director
CHARLES SINCLAIR, Contributing Editor

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

TELEVISION DIGEST. Published Mondays. Services: $75-$150 annually. For group rates & other subscription services, write Headquarters.
TELEVISION FACTBOOK Published Annually
TV & AM-FM ADDENDA Published Saturdays
AM-FM DIRECTORY Published Annually

Personals

James E. Duffy, ABC Radio exec. vp & national sales dir., appointed vp in charge of TV network sales; **Theodore M. Douglas Jr.**, ABC Radio eastern sales mgr., elected vp & national sales dir., succeeded by **Herb Granath**, account exec.; **Edward G. Bishoff**, ABC Radio central div. sales mgr., elected vp & div. sales dir.; **Gary Kay** named asst. program mgr., ABC International TV.

Leslie Winik, International Telemeter exec. vp, elected pres., succeeding **Howard Minsky**, resigned . . . **Martin J. Brown**, ex-WOR-TV N.Y. sales service dir., named to sales staff, rep Roger O'Connor Inc.

Richard Stern, ex-Fletcher Richards, Calkins & Holden, appointed gen. sales mgr., WAII-TV Atlanta . . . **Royal E. Blakeman**, of Red Wing Productions, elected N.Y. Chapter pres. of Academy of TV Arts & Sciences.

John F. Crohan, WCOP-AM-FM Boston vp & gen. mgr., elected Boston Executives Club pres. . . . **Julius Edelman**, ex-Ted Bates, appointed exec. vp & producer-dir., Mickey Schwartz Productions.

Martin G. Waldman, ex-Young & Rubicam TV-radio dept., forms Communications Planners Inc., PR, 185 Madison Ave., N.Y. (MU 3-3675) . . . **Robert F. Klein**, ex-Blair TV mgr., Los Angeles, appointed exec. vp, John Cohan Stations.

Harry Frey promoted to WTHI-TV Terre Haute news dir. . . . **Martin Colby**, ex-Triangle TV-radio div. eastern TV sales mgr., named sales specialist, Blair BTA div.

Stanley R. Jaffe promoted to exec. asst. to **Thomas D. Tannenbaum**, Seven Arts vp in charge of TV production & packaging . . . **Murray Oken**, Trans-Lux TV eastern div. mgr., promoted to national sales mgr.

Forfeiture of $3,500, reduced from proposed $6,500, has been levied by FCC against radio WCHI Chillicothe, WCHO Washington Court House & WCOV Wellston, all Ohio, for failure to have full-time first-class operator and for WCHI over-modulation. Stations had pleaded difficulty of finding such operators for small-town stations, impressing Commission somewhat. Fine of $250 was ordered for KVOB Bastrop, La., for illegal "teaser" announcements (no sponsor identification), a cut from proposed $1,000. Forfeiture of $3,500 was proposed for WVAR Richwood, W. Va., for failing to have first-class operator.

Request for FCC inquiry into "lack of color TV programming" in Cleveland is subject of unusual resolution introduced in City Council following testimony by TV dealer who said he was selling 10 color sets for every b&w console and that his customers have been let down by local stations' scarcity of colorcasts. Resolution also would urge FCC "to recommend that further stations licensed to the city of Cleveland be granted to local interests who propose to serve a local audience with local color in the public interest."

Speakers' bureau directory, containing names of 472 broadcasters available to address local & national groups on TV-radio, has been published by NAB for 2nd time. Booklet "If You Want a Speaker" is available to professional, charitable, civic groups. More than 50,000 copies of last year's edition were distributed, according to John Couric, NAB public relations dir.

TV glimpses of Soviet cosmonaut in flight & of Moscow throngs lining up for newspapers were seen here via Telstar II as result of ambitious global TV link. Scenes were recorded in Russia, put on Soviet bloc Intervision, relayed to Eurovision, taped in London, sent to Goonhilly Down for satellite pickup.

Pay TV will eventually reach 15 million TV homes, produce $2 billion annually, Gerald Bartell, Macfadden Teleglobe pres., told Cincinnati Rotary Club luncheon last week. He predicted that "large motion picture palaces" wouldn't be hurt and neither would commercial TV, "although certainly some alterations will be indicated for competitive reasons."

Station sales approved by FCC: (1) 50% of WNBE-TV (Ch. 12) New Bern, N.C., from 100% owner Nathan Frank to Thomsland Inc. (Harold & Meredith Thoms) for $60,000. (2) KAVE-TV (Ch. 6) & KAVE Carlsbad, N.M., from Lucile R. Talbott, et al. to KAVE Inc. (John Deme, WINF Manchester, Conn.) for $168,000.

FCC staff appointments: Wallace Johnson, asst. chief for engineering, Broadcast Bureau; H. H. Goldin, asst. chief for policy & planning, Broadcast Bureau (new post); Thomas Fitzpatrick, chief, Hearing Div.; Louis Stephens, asst. chief, Renewal & Transfer Div.; John Bass, asst. chief, Rules & Standards Div.

Financial crisis of ETV WNDT N.Y. has so eased that it's only $60,000 short of 1962-63 $3 million budget. But trustee Charles G. Stradella said more support will be needed from public & industry as foundations gradually reduce contributions.

Better CATV-broadcaster relations were urged by NCTA Pres. William Dalton in speech to Va. Assn. of Bcstrs. He said he's delighted to see more broadcasters entering CATV: "This makes sense, and lots of it."

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

EMERSON'S U.S.-MADE 16-IN. AT $99.95: Price competition in TV industry reached something of a climax last week when Emerson slashed $30 from its 16-in. American-made set, bringing it down to $99.95 —lower than many imports.

Set is same model introduced last Jan. at $129.95 (Vol. 3:1 p8), even to earphone jack—normally regarded as step-up feature. Leader is grey, step-ups (in color) are $109.95 & $119.95 (sleep switch); all-channel version is $129.95, a $30 hike. All-channel versions of other Emerson sets add $20 to list price. Emerson's leader 19-in., which sold for $149.95 year ago, is now $129.95.

"We will produce it to the extent there is a market for it," Emerson Pres. Benjamin Abrams told us at week's end, referring to $99.95 set. "We will sell it without any restrictions—but only through Emerson dealers, of course. We will sell it without tie-ins with other merchandise." He said set does not depend on foreign parts for its low price. It's understood Emerson has switched to single chassis for both 16- & 19-in. sets, but competitors were dubious that this action could absorb even minor fraction of price reduction.

Sparked by the price-leader, Emerson chalked up more orders at last week's convention than at any time in its 48-year existence, Abrams said. Distributors ordered "all we can give them" of the $99.95 set. Orders for remainder of line, he said, will take all of factory's production for rest of year, even with output at higher rate than first 6 months—which is 50% ahead of 1962's same period.

It seems unlikely that other manufacturers will come down to $99.95 at this point. But, mindful of another $99.95 set which shook the industry—GE's 14-in. portable back in 1955 (Vol. 11:21 p13)—they're watching & surveying, figuring costs & margins. Some price cuts could come with drop-in models later.

Remainder of Emerson's lines—longest in several years and with new emphasis on stereo—is summarized on p. 10.

EIA CRUSADES FOR ALL-CHANNEL TAX REPEAL: Undaunted EIA will have another go at its particular windmill—federal excise tax. Among major developments of 39th annual convention in Chicago last week: Tax Committee & other support groups lined up for Board's March-approved go-ahead for another tilt (Vol. 3:12 p7), and EIA now expects to have tax-repeal legislation introduced in House Ways & Means Committee next month.

As anticipated, sole target will be all-channel sets. Instead of leveling attack against taxes on all consumer products, EIA hopes to pump some hope into its forlorn campaign by calling for repeal only of 10% excise tax on all-channel TVs.

"It's the best chance we've ever had of making a chink in the armor" after failures with 5 successive Congresses, summed up re-elected Consumer Products Div. Chmn. Morris Sobin, Olympic Radio & TV pres. Because all-channel law is expected to add some $20-$30 to price of TV sets, he said, "the govt. should feel an obligation to the public."

Despite Sobin's hope that "a different situation exists with all-channel sets," corridor conclusion is that windmill will win again, in a breeze. Other highlights of EIA convention:

(1) Warning that electronics industry is in for "some pretty rough times unless we stick together" was sounded by re-elected EIA Pres. Charles F. Horne, pres. of General Dynamics/Pomona. He called for "constant vigilance" over legislative & administrative developments that affect electronics industry, emphasized that "our greatest threat" is possibility that "we may be fragmented by our diversities of interests & products." He added: "Unless we find a mutually acceptable modus operandi for uniting the electronic in-

dustries & working together toward common goals we may well disintegrate into a heterogeneous assembly of manufacturing groups whose identities are absorbed in our many customer industries."

(2) All-channel set production's current rate is 11.5% of all b&w sets, up from 1962's 9.2%, Sobin reported. He said indications are that 20% of all b&w TVs produced this year will have both uhf & vhf receiving capability.

(3) Electronics volume this year is expected to rise 9% to $15.075 billion from 1962's $13.825 billion factory sales, Horne noted in annual report. Consumer products volume will rise to $2.5 billion from $2.407 billion; industrial products, $2.7 billion from $2.450 billion; govt. products, $9.2 billion from $8.348 billion; replacement components, $675 million from $620 million.

(4) Challenge, now being heard with increasing frequency, that industry invent new & compelling home product was put to EIA membership by GE vp L. Berkley Davis, who was awarded EIA's Medal of Honor. Calling for "something as entertaining, as educational or as useful as radio & TV," Davis added: "I don't know what it is, but I challenge you to find it. Electronics can provide the means for again raising our standard of living. Electronics can & must develop a new device to make home life easier & more pleasant." (For more on EIA, see p. 10.)

INDUSTRY APPRAISES SHELBOND PICTURE TUBE: Corning's Shelbond implosion-protection process (Vol. 3:24 p7) was talk of picture-tube industry this week—for a couple of reasons.

Corning launched Shelbond with a bang—a rather embarrassing bang at that—when it set out to demonstrate its implosion resistance to tube manufacturers assembled at Corning's plant. During tough 15-ft.-lb. high-energy object impact test on scored (weakened) tube, sample devacuated violently with loud report. It was humbling evidence that there's no such thing as implosion-proof tube.

In repeated later demonstrations, no violent implosion was produced—and Corning said that some 300 tubes had successfully been put through implosion tests. Actually, said Corning spokesman, even the violent implosion at the demonstration would have passed UL requirements. Consensus of observers was that one piece of glass was expelled 3-4 ft. by implosion. Corning explained that pendulum-supported weight hadn't been dropped straight during demonstration.

We found tube manufacturers impressed, by & large, with possibilities of Shelbond, despite psychological stigma imposed by violence of demonstration test. Said one tube maker official, who witnessed demonstration: "We will aggressively go out and sell this thing." Two others said that its promise of savings may well guarantee its adoption by industry.

Preliminary cost estimates given to tube makers by Corning indicated that, excluding overhead but including 4% shrinkage, 19-in. Shelbond tube should cost 76¢ more to make (in materials plus $2-an-hour labor) than standard heavy tube. Materials alone (steel shell, gasket, resin) will cost about 50¢ for 19-in. tube, 45¢ for 16-in., 65¢ for 23-in., according to Corning estimates. Corning will supply steel shells for tube, making them available independent of bulbs.

Corning revealed that new system is based on French Solidex tube, developed by Corning affiliate in France, but is simpler in several respects, including lack of "sock" around funnel. As Corning explained reasons for system, it said it was addressing itself to "severe cost squeeze on black-&-white sets" due to imports and competitive conditions, particularly "in the small set area, where cost is paramount." Corning will make shells for 11-in. tubes if demand is great enough.

Further improvements to Kimcode may be on way, too, according to developer Owens-Illinois Glass Co., which says even greater cost reductions are possible. O-I Industrial & Electronics Div. vp-gen. mgr. John P. Kearney made this statement to us about Shelbond: "Owens-Illinois has not had any samples of Corning's Shelbond version of an integrally safe tube to test and therefore cannot comment on the details of the system or how it measures up to the claims made by the innovator.

"If Shelbond performs as the sponsor claims, and the costs have been reduced as indicated," said Kearney, "we feel that this is a further refinement of an integrally safe system made possible by the successful pioneering efforts of Kimcode and should be considered a step in the right direction. The ultimate in cost reduction has undoubtedly not yet been reached, and as new approaches and materials emerge, additional improvements to the basic concept introduced by Kimcode will become available for the benefit of the in-

dustry and the public." Kimcode tubes are now being used by Curtis Mathes and in all of GE's new 23-in. sets. Remainder of sets use external implosion protection or bonded tubes.

Bonded tubes, in fact, have achieved unparalleled acceptance this year—both Corning's & Pittsburgh Plate Glass's approaches. All OEM picture tube manufacturers now make both types—last holdout against PPG laminating process, Westinghouse, having recently added it.

Timing of Corning's introduction was considered by tube makers to be perfect for preparation for next spring's set introductions. Although incident at demonstration will undoubtedly be discussed & mulled for some time, tube makers who favor the approach point to UL's acceptance of system and predict use of new process in about a year.

RCA finally unveiled its modifications of Kimcode approach. For details, and UL's comments on picture-tube implosion tests, see story on p. 11.

JAPANESE TV SETS NEARING UL APPROVAL? Although no Japanese TV set yet has received coveted safety seal of approval of Underwriters' Labs (Vol. 3:8 p8), Nippon TV makers are making steady progress to correct this situation.

Several Japanese TV sets are now under investigation at UL's N.Y., Chicago & Santa Clara, Cal. labs, we were told by Leonard Horn of UL's Chicago facility. "A couple are coming close to approval," he said, "but are not there yet."

Communication is major roadblock to UL approval of Japanese sets, he told us. "We have great difficulty transmitting information back and forth. Japanese manufacturers use lots of plastic materials in their TV sets. It is difficult for us to learn what types and families of plastics are being used."

Horn told us that the Japanese have solved the onetime-major deterrent to UL approval. "Their big problem used to be in hook-up wires & cords," he said. "That's been corrected and they now have labeled wires & cords. The big problem today is one of communication."

TV-RADIO PRODUCTION: EIA statistics for week ending June 14 (24th week of 1963)

	June 8-14	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV	146,771	112,241	132,617	3,161,724	3,028,599
Total radio	338,147	321,962	335,453	7,905,020	8,532,169
Auto radio	135,681	132,711	122,609	3,502,301	3,003,633

Merger of Wilcox Gay Corp. and American Television Corp., 2 old-time TV industry names, is under negotiation and would result in new consumer electronics firm. Wilcox Gay Pres. Leonard Ashbach would head merchandising & sales, ATC Pres. U. A. Sanabria manufacturing & engineering, under proposed merger, which would result in firm selling equipment under De Forest and Majestic brand names. Meanwhile, there were reports that Wilcox Gay subsidiary Majestic International would be replaced as U.S. distributor of Grundig products by new Grundig subsidiary Grundig-Triumph-Adler Sales Corp., 845 Third Ave., N.Y., now headed by Gen. Mgr. John P. Ryan, ex-Magnavox sales vp.

Philco has established new branch distributor in Pittsburgh, taking over assets and retaining most personnel of its former independent distributor J. E. Miller Co. George B. Strotmeyer, ex-Philco District rep in Pittsburgh, is new gen. mgr. of branch.

Ford Motor Co.'s Aeronutronic Div., employing 2,500 at Newport Beach, Cal., will become a div. of Philco. Gen. mgr. John B. Lawson has been elected a Philco vp.

May TV sales were up nearly 20% over May 1962, at distributor-to-dealer level, according to preliminary unofficial figures, while radio sales plunged 25% below their year-ago level. Black-&-white TV sales estimate for May: 372,000 vs. 311,000 in May 1962; for 1963's first 5 months they were 2,409,000, up nearly 8% from 2,244,000 in same 1962 period. Radio sales for May: 596,000 vs. 772,000; for 5 months, 3,121,000, down 17% from 3,760,000 in 1962 period. TV inventories at manufacturer & distributor level were down 11% from 1962 at end of May, despite sales increase. Radio inventories were down less than 14%, although sales dipped 17%.

Admiral distributor orders for consumer products for June-Aug. are 12% higher than last year's shipments, according to Sales vp Ross D. Siragusa Jr. B&w orders are up 21%; color TV lines will be kept operating during July 1-15 vacation shutdown to meet schedules. Admiral's employment reached record 2,700 in June.

Warwick Electronics Inc. is new name of Warwick Mfg. Corp., Niles, Ill. consumer electronics manufacturer controlled by Sears Roebuck.

EIA CONVENTION: "Govt. has a primary responsibility to do everything possible to increase the number of uhf stations," otherwise "many purchasers of all-channel sets will be paying for a uhf tuner which they may never have an opportunity to use." So said Morris Sobin, Olympic pres. & EIA Consumer Products Div. chmn., in annual report at 39th annual EIA convention (p. 7).

Picking up theme of excise tax repeal, he continued: Congress could "alleviate the penalty" on set owners in non-uhf areas by removing 10% tax. "Removal of this tax would reduce the retail price of all-channel TV sets to the approximate price of a vhf receiver . . . We recognize the chicken-&-egg relationship between broadcasters & set owners in this situation." Among Consumer Products Div. actions at convention:

(1) Voted increase for EIA's International Dept. to gather information on overseas purchases of consumer products by military PX's. "When we get this data," Sobin said, "we'll present it to the Pentagon to see if we can get a fairer shake on this business."

(2) Stood pat on its hi-fi definition submitted to FTC despite latter's request for reconsideration in view of objections from other groups.

(3) Decided to issue yearly reports on new FM stereo stations instead of quarterly.

Sales forecasts: 1963 sales of b&w TVs this year are expected to slip slightly from 1962 to 6.5 million units & $810 million, Sobin said. Radio sales, including auto—19.1 million units & $385 million. Phonos—5.2 million units & $408 million. EIA also estimated that 52% of total factory sales of 1.4 million radio-phono combos will have FM stereo; 46% of 280,000 TV-radio-phono combos.

Failure rate of electronic firms rose to record 88 manufacturers & 39 distributors in year ended March 31, Credit Committee Chmn. John S. Reesor reported. No TV makers were among failures. "Lack of adequate management was most important contributing factor" to failures, he said. In preceding year, failures included 56 manufacturers & 37 distributors.

Distributor Products Div. has been established by EIA, as outgrowth of Distributor Relations Committee, to improve relationship between manufacturers & their distributors. Although membership could include consumer products manufacturers, it's expected that group will comprise manufacturers who sell to tubes & parts distributors. New division will meet before Sept. EIA meeting to organize & elect officers.

EIA elections: Consumer Products Div.—Morris Sobin reelected chmn. Elected dirs.: Orphie R. Bridges, Arvin Industries Consumer Products vp-gen. mgr.; Grant Gardner, Wells-Gardner pres.; Gen. George F. Smith, Magnavox Govt. & Industrial Products Div. vp-gen. mgr. One vacancy exists on board. Replaced on board were Robert Alexander, formerly Wells-Gardner; Robert S. Bell, Packard Bell; Martin J. Caserio, Delco Radio Div.; Frank Freimann, Magnavox. **Parts Div.**—J. A. Milling, pres., Sams Div. of Howard W. Sams, elected chmn. **Tube Div.**—Frank Randall, Amperex pres., elected chmn.

Added to EIA Board: Merle W. Kremer, Sylvania, representing Tube Div., succeeding George W. Keown, Tung-Sol. Bell's vacancy for Consumer Products remains.

Emerson's New Lines: Emerson showed distributors its longest lines in years at Miami Beach last week (see p. 7). Top of 19-in. line continues to be remote-control model which listed last year at $199.95 and now carries open list. Its 23-in. sets begin with $169.95 "portable," and consoles are priced $199.95-$279.95. One 27-in. console is held over (open list).

Emerson has 3 color sets, all open list, beginning with genuine-wood cabinet consolette designed to sell around $499, with top of line at about $699. Long phono line has some unique features, including swing-down mono unit with tone control at $24.95, portable with AM radio at $34.95, manual stereo unit at $34.95, portable phono with AM & FM stereo at $149.95.

Phono consoles begin at $79.95, first FM-stereo console at $169.95. Radio prices showed some declines, with 8-transistor miniature now $14.95, high-end 9-transistor pocket set at $39.95. Telectro tape recorder line has 10 models, $79.95-$399.95, features furniture styling. Unique mono unit at $179.95 has built-in FM tuner for direct recording of radio.

Only major lines yet to be introduced are Westinghouse (next month at Music Show); Motorola, which will make announcement concerning its line this week at simultaneous press luncheons in N.Y. & Chicago; Du Mont, which will be shown in distributor metings in N.Y. (June 25-27), Chicago (July 9-10) & Los Angeles (July 17-19).

■

Packard Bell has quit EIA—"In sorrow, not in anger," according to Pres.-Chmn. Robert S. Bell, who was EIA Senior vp and served on board for 14 years. Resignation in part was due to Packard Bell's long-standing dissatisfaction with association's dues structure, which, Bell maintains, places "too heavy a burden on the medium-sized company." In addition, Packard Bell felt manufacturer association should have "better participation of industry" (Zenith, Admiral & Emerson are not members). He praised EIA's recent promotional campaign on FM stereo and expressed regret that Consumer Products Div. declined to sponsor recently proposed educational drive to explain all-channel law and similar activities. He told us he hopes resignation will serve as "catalyst" to help form EIA into stronger & more equitable organization, and that Packard Bell is willing to rejoin when aims are achieved. It will continue in EIA market data pool.

"Simpler approach to all-channel reception" is most imminent need of consumer electronics industry, Admiral Chmn. Ross D. Siragusa told engineers in luncheon address last week at IEEE Chicago Spring Conference on Broadcast & TV Receivers. Management is not as concerned about public reaction to higher set prices necessitated by all-channel law, he said, "as it is about the passive attitude displayed by tuner engineers looking for solutions to mutual problems." Siragusa also made these points: (1) "CBS affiliates and the network are not fulfilling their obligation to the public and are contributing to a major color TV blackout that is not in the public interest." (2) New consumer applications must be found for TV which will sharply increase number of multi-set homes. (3) Technical staffs must become more consumer-oriented in their approach to product planning. (4) Too few engineers are taking advantage of opportunities—such as Admiral's tuition aid program—to keep abreast of newest developments in their own fields.

RCA'S ANTI-IMPLOSION TUBE: Improved rim-band, Kimcode-type TV picture tube that will "reduce spontaneous implosions to the vanishing point" was described & displayed by RCA at IEEE's 4th Chicago Spring Conference on Broadcast & TV Receivers.

Instead of Kimcode's crimped pressure-band, RCA's version, named Pan-O-Ply, uses welded rim band. C. T. Lattimer of RCA's Marion, Ind. tube plant, in technical paper before conference, said new tube has greater reliability than Kimcode, that single-thickness metal weld is as strong as surrounding material, that weld provides markedly greater strap strength & protection from breakdown under implosion than Kimcode's crimping. Weld also permits cutback of band, exposing more viewing area on tube face.

RCA will commence production of Pan-O-Ply tube by late summer and, we were told, welded innovation should have no effect on production cost, either up or down, compared with Kimcode.

We asked D. Y. Smith, RCA electronic components & devices vp-gen. mgr., if advent of Corning Shelbond tube story p. 9) would affect RCA production plans. "We just heard about the Shelbond tube," he said, "and we're ready to move on the Pan-O-Ply. However, I can tell you this: If Shelbond does the job and is cheaper, we'll move into it."

RCA has obtained verbal UL approval of its new rim-band tube, but Leonard Horn, of UL's Chicago facility, would make no comment on Lattimer's claim that new tube would eliminate spontaneous implosions.

Horn, who delivered technical paper on UL's activities before conference, later told us: "We're obviously more worried about these unprotected picture tubes. Although some manufacturers think we're too stringent, I would not say that we're tougher on Kimcode tubes. Our philosophy is that anything is fair in producing an implosion—and we try anything. Until they're made of cast iron, picture tubes are going to implode—and we want to know how and why."

UL hits rim-band tubes harder, with heavier object and in different ways to produce implosion. Standard tube test calls for 2-in. steel ball bearing weighing 1.8 pounds to be applied to tube face with 5-ft.-lb. wallop. Kimcode tubes are belted with 5-pound missile applied with 15-ft.-lb. force. "And they implode," Horn said. "We feel obligated to do more to test these tubes because there's no protecting shield between the tube face and the public. Testing such tubes by hitting them with the handle of a vacuum cleaner is not the answer, because most implosions are spontaneous and occur at night, when the set is off & the family sleeping.

Lattimer, in his paper, said RCA had conducted "drastic" tests with 200 19-in. rim-band tubes. Some 10-20% imploded with loud noise, he said, but none failed UL tests.

* * * * *

Uhf, tuners, transistors, and all-transistor RCA TV set were main topics of conversation at Chicago Spring Conference.

Admiral Pres. Ross D. Siragusa's appeal (story p. 10) for industry to come up with improved & simplified all-channel tuner underscored fact that tuner makers already are at work on problem—but consensus is that answer is still 2-3 years away.

"It will be at least 2 years before industry can come up with a single tuner for uhf & vhf," we were told by one tuner engineer, "and it will cost more than the price of 2 single tuners. We could build today a continuous all-channel tuner with 3 transistors—but it would be more costly than 2 piggy-back tuners, and couldn't match their performance."

TV engineering manager of major set maker told us, however: "I see no reason why we shouldn't have an all-channel tuner by 1965 at the latest; it will cost only 10-20% more than a single tuner."

Charles R. Gray, commercial engineering mgr. at Philco's Lansdale Div., forecast in address to conference that TV sets will be next mass-produced electronic product to run on transistors. RCA went one step further by describing development of a working 19-in., line-operated, 114-degree all-transistor TV set—and demonstrating it in its private suite.

RCA set is purely experimental, and purpose, we were told by RCA engineer C. F. Wheatley, was to see if circuit & design-techniques could be developed to reduce cost of all-transistor set without impairing quality. Although RCA would say only that the exercise had reduced cost from "very high to not so high," we got more precise estimate from another source. Executive of set maker whose engineers had witnessed demonstration of set told us that they costed it out to $6.15 more than comparable tube TV set. RCA set uses 23 transistors, 14 diodes & high voltage rectifier.

Sylvania color tube engineering samples are now being shipped to receiver makers for evaluation, Vp-Gen. Mgr. Walter A. Weiss announced last week. Sylvania is expected to begin production of 21-in. 70-degree round color tubes this fall.

Trade Personals

Robert L. Shaw, former pres. of Sylvania Home Electronics Corp. and ex-vp of Admiral & Du Mont Emerson, named pres. of Hupp Caribbean Corp., new distributing firm formed by Hupp Corp. in Puerto Rico (Sylvania, Gibson, Perfection, Easy products).

James J. Shallow, onetime vp-gen. mgr. of Columbia Phonographs, June 29 completes 2-year assignment as Magnavox marketing coordinator, returning to management & marketing consulting with hq at 125 Farwood Rd., Philadelphia 51.

Hajime Kurose, former heavy apparatus sales mgr., named Tokyo Shibaura Electric Co. (Toshiba) gen. mgr. for U.S. & Canada, hq at 530 Fifth Ave., N.Y. 36.

Martin Codel, consultant on international TV-radio manufacturing & broadcasting, back in Washington after 4½-month study of 13 Asian countries.

F. J. Dunleavy elected exec. vp, ITT-Europe, succeeding **Charles G. Sherwood,** who returns for ITT assignment in U.S. . . . **John H. Miller,** RCA Communications vp, elected Brown U. trustee . . . **Meyer Leifer,** ex-Ampex, returns to Sylvania as dir. of Systems Engineering & Management Operation, Waltham, Mass. . . . **Dr. William E. Shoupp,** Westinghouse Research Labs vp-gen. mgr., installed as vp, American Nuclear Society.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Avco	1963—6 mo. to May 31	$ 246,280,713[1]	$ 23,181,776	$ 11,156,776[1]	$1.00	11,195,514
	1962—6 mo. to May 31	185,698,585	17,473,125	8,373,125	.77	10,886,109
Hallicrafters	1963—9 mo. to May 31	49,204,000	3,101,000	1,529,000	.60	550,000
	1962—9 mo. to May 31	51,417,000	2,871,000	1,384,000	.55	542,000
Lab for Electronics	1963—year to Apr. 28	60,901,000	—	(340,000)[2]	—	1,298,087
	1962—year to Apr. 28	61,482,000	—	102,000	.08	1,298,087

Notes: [1] Record. [2] After $329,000 tax credit.

Philco has taken over John M. Otter Companies, its former independent distributors in Philadelphia, N.Y. & Newark, after negotiations which started in early spring (Vol. 3:14 p14). The companies will be operated as Philco Distributors Inc. branches, with Bruce Lambert, ex-Philco national radio sales mgr., heading Philadelphia branch, Wallace W. Myers & Robert Furlong continuing as managers of N.Y. & Newark branches, respectively. Answering frequently-asked question, Philco said Otter firms' fair-trade minimum pricing would be maintained by the new branches.

A&P stores in N.Y. area are test-marketing 6-transistor Realtone radios at $7.95. Realtone, entering TV market, feels that supermarkets & drugstores are ideal outlets for tinyvision and other consumer electronic "impulse" items (Vol. 3:24 p11).

Sears Roebuck's new catalog lists 7 color TV sets at $499.95-$579.95, although its retail store prices, in many cases, are lower. During debut of Admiral's $399.95 color set in Buffalo market, local Sears stores advertised color at $369.95.

Taft Bcstg. executives' salaries & stock holdings, as listed in proxy statement for July 9 stockholders meeting: Chmn.-Pres. Hulbert Taft Jr., $52,819 & 119,735 shares of common; exec. vp Lawrence H. Rogers II, $42,391 & 3,510 shares; vp Kenneth W. Church, $57,222 (annual salary of $30,000 plus commissions on national ad sales). Salaries are for fiscal year ended March 31; stock ownership is as of April 19.

TelePrompTer reported first-quarter loss of $80,687 on gross revenues of $1,242,995. Company said loss reflects expenses & production decreases while relocating 3 divisions at Cherry Hill, N.J. March operations were in the black. No comparable 1962 figures are available.

Mitsubishi Electric has placed privately with U.S. investors $13.5 million of 6½% convertible debentures due 1978. Financing, first for Japanese firm in U.S., was arranged via Kidder, Peabody & Co.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk.of Record*
CTS Corp.	Q	$0.12½	July 19	June 28
Motorola	Q	.25	July 15	June 28

Republic Corp. earnings in 1963 fiscal year ending Oct. 27 should rise to 80-85¢ a share from 56¢ a year earlier on sales gain to about $47 million from $43.3 million, Chmn.-Pres. Victor M. Carter told N.Y. Society of Security Analysts. For fiscal 1964, he forecast earnings of more than $1 a share on sales in excess of $50 million. Carter said Republic's appliances-manufacturing Gaffers & Sattler Div. accounts for about half of company's sales & "a significant share of profits," noted also that the Consolidated Film Industries Div. is major factor in gains.

Trav-Ler Indnstries' sales in fiscal 1963 ended April 30 dropped 10% from year-earlier's record $25.1 million, and earnings lagged behind fiscal-1962's $639,499. Pres. Joe Friedman expects about-face in fiscal 1964, forecasts record sales & earnings. Factor in decline was nonrecurring costs of introducing color TV. He said some 90% of this year's scheduled production color sets has been sold and color TVs contribute $3.5-5 million to Trav-Ler's total TV set volume this year.

Reports & comments: Avco, research study, McDonnell & Co., 120 Broadway, N.Y. 5; review, Purcell, Graham & Co., 50 Broadway, N.Y. 4 • **Disney Productions,** review, Courts & Co., 11 Marietta St., N.W., Atlanta 1 • **Crowell-Collier,** discussion, Hayden, Stone & Co., 25 Broad St., N.Y. 4 • **CBS,** report, McDonnell & Co., 120 Broadway, N.Y. 5 • **GT&E,** analysis, Laird, Bissell & Meeds, 120 Broadway, N.Y. 5 • **Warner Bros. Pictures,** discussion, Pennington, Colket & Co., 70 Pine St., N.Y. 5.

Capital Cities Bcstg. 2nd offering of 250,000 shares of common stock (Vol. 3:20 p15), at $22.75 each, has been placed on market by group headed by White, Weld & Co. Proceeds will accrue to selling stockholders. Among them: Lowell Thomas, selling 64,000 shares & holding 52,764; Chase Fund of Boston, selling its complete holding of 50,000 shares.

Sterling TV has been merged into Walter Reade/Sterling following approval of stockholders of both companies. Walter Reade/Sterling had acquired 94.6% ownership of Sterling TV last August through a stock exchange. Chmn. Walter Reade Jr. told special stockholders meeting that company would earn "minimum" 25¢ per share this year.

Globe-Union has placed privately $5 million of 20-year, 4⅝% promissory notes. Financing, negotiated by Goldman, Sachs & Co., will be used to retire existing debt & for general corporate purposes.

WEEKLY **Television Digest**

with

Consumer Electronics . . . (starts page 7)

JULY 1, 1963 NEW SERIES, VOL. 3, No. 26

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

NAB VOWS ALL-OUT FIGHT AGAINST GOVT., focusing on FCC's proposed commercial ceiling, appealing to Congress & public, adopting resolution against 'govt. encroachment.' Summary of board actions (p. 1).

VHF DROP-IN PLEADERS NEVER SAY DIE: Sens. Pastore & Hartke urge FCC Chmn. Henry to reconsider; prospective vhf applicant says Commission fosters 'monopoly' & 'absentee multiple ownership' (p. 2).

EQUAL-TIME SUSPENSION PROSPECTS about same as in 1960, though sentiment is growing gradually for lifting restrictions on campaigns for Senate, House, governorships. No chance for outright repeal (p. 2).

COMBINATION RATES BUBBLING IN GOVT.: After last Feb.'s FCC ruling against combination groups in same city, Commission is being asked to rule on other group arrangements. Issue: Do stations in group gain unfair competitive edge? (p. 3).

SHAPP BACK AT JERROLD HELM, takes over presidency from Harman, intends to reemphasize CATV, microwave, instruments—while 'maintaining position' in consumer electronics (p. 4).

NIELSEN DROPS LOCAL RADIO: Inability to measure individual auto & portable listening at 'palatable cost' cited; Nielsen wants NAB to help with problem of non-cooperative homes; NAB Rating Council will seek greater advertiser-AAAA participation (p. 5).

Consumer Electronics

MOTOROLA'S 23-IN. COLOR makes debut in 8-set line, starting at $650; low-end 21-inch color line starts with $449.95 consolette; good color picture shown on new set, which Motorola hopes to sell 'in tens of thousands' this year (p. 7).

VHF SETS ELIMINATED from large part of Sears' Silvertone line; new catalog shows only 10 sets available without uhf, 26 sold with all-channel tuner only; prices start at $109.95 for 19-in. vhf set (p. 8).

ROUND-CORNER PICTURE TUBES fade away periodically—and come back. New lines show 27-in sets in only 4 major lines, vs. 8 last year; but majors are still offering 17-, 21- & 24-in. sets (p. 9).

'PRICING CHAOS' hit by Motorola's Taylor, who endorses Quality Stabilization bill; warns of 'explosive' situation created by 11-in., but sees little market for 16-in. (p. 10).

NEW LINES: Du Mont extends color tube warranty to 2 years, introduces lower-priced sets; Westinghouse expands 'Instant-On' to most TV models; Motorola b&w line emphasizes consoles (p. 10).

PILOT INTO COLOR TV? New plant geared to make color chassis for stereo combos; output could begin this year (p. 11).

PLANT SHUTDOWNS FOR VACATION begin this week for many TV-radio-electronics firms. Vacation dates listed for set, tube, semiconductor & components manufacturers (p. 11).

NAB VOWS ALL-OUT FIGHT AGAINST GOVT.: An aroused NAB board, led by Pres. Collins astride an anti-FCC cause he could ride—proposed ceiling on commercials—went all-out in its semi-annual meeting in Washington last week. Among actions:

(1) Outlined comprehensive & far-reaching plan—developed by Paul Comstock, govt. vp, & John Couric, public relations dir.—to oppose FCC's proposal on commercials, said it was "aghast" at Commission action, stated if federal agency can be given such power it would have "stranglehold" over private business. Plan calls for stepped-up contacts with FCC, Congress, possible legal steps, help from members & state associations, major public relations program (appeals to editorial writers, syndicated columnists, liaison with business-public service-charitable groups), cooperation from advertising community (TvB, RAB, ad groups).

(2) Adopted resolution to alert Congress & public to "undue encroachment" by govt. in broadcasting and of "mounting danger" of further govt. control. Resolution was proposed by John J. Coyle, KVIL Dallas, modified by joint board. Committee of broadcasters, representative of each state, is to carry out program.

(3) Created an Executive Committee to initiate & interpret policy. It will be composed of chairman, plus chairmen & vice chairmen of TV & radio boards. First job: Oppose govt. control.

Elected to one-year term as chairman of joint boards: William B. Quarton, WMT-TV Cedar Rapids, succeeding Clair R. McCollough. James D. Russell, KKTV Colorado Springs, was chosen TV board chairman, succeeded as vice chairman by Glenn Marshall, WJXT Jacksonville. Among other actions:

(1) TV Board adopted new Code commercial standards for prime time limits computed in percentages rather than minutes—17.2% for each of 3 prime evening hours specified by station. Board declined to adopt

percentage changes for non-prime time. Previous limitation was 5 min. & 10 sec. per 30 min. Percentage method is said to produce greater flexibility, though amount of time per hour is same.

(2) Radio Board declined to adopt commercial standards proposed by Radio Code Board.

(3) Joint boards approved Pres. Collins's proposal to donate up to $15,000 to help reduce illiteracy in Dominican Republic.

(4) Proposal to set up a Program Dept. was deferred for more study, new report next Jan.

(5) Convention dates approved: April 5-8, 1964, Chicago; March 21-25, 1965, Washington; March 27-30, 1966, and April 2-5, 1967, Chicago.

VHF DROP-IN PLEADERS NEVER SAY DIE: Vhf drop-ins refuse to remain dead, despite 4-3 FCC vote just before Chmn. Minow left Commission, voting reluctantly with majority (Vol. 3:22 p2). New Comr. Loevinger raised hopes of drop-in proponents during his confirmation hearing, when he stressed need for more competition in TV, said he'd give subject thorough study (Vol. 3:23 p2).

Powerful Sen. Pastore (D-R.I.), chmn. of Communications Subcommittee, last week gave Commission another nudge, during FCC Chmn. Henry's testimony on equal time (see below). Said Pastore:

"It would be very wonderful if we could have the 3 networks operating in every locality . . . I think the drop-ins would accomplish [that] purpose . . . I hope you would consider it in your reconsideration . . . that this will be the final march up the hill." Sen. Hartke (D-Ind.) observed that some candidates are at disadvantage because 3rd network (ABC-TV) doesn't reach as many homes as other 2, said the drop-in markets represent about 5 million people. He asked Henry whether denial of drop-ins means FCC "denial" of its responsibilities. Henry assured him Commission will give "full consideration" to petitions for reconsideration. Hartke wasn't satisfied: "I know what that means, but I don't know what it implies."

Unusual angle in petition for reconsideration was offered last week by Megacity TV Inc., potential Dayton, O. vhf applicant. It argued to Commission that vote against drop-ins fosters monopoly—encouraging uhf filings by "absentee multiple owners" such as Kaiser & United Artists which can use "tax dollars" to finance uhf losses over long period. Megacity suggested that vhfs be dropped in, that grantees use them for 6 years to depreciate equipment—then be required to switch to uhf. Megacity said local groups are expected to file similar petitions for other 6 markets: Jacksonville, Baton Rouge, Birmingham, Knoxville, Charlotte, Johnstown. It urged FCC to set subject for oral argument.

EQUAL-TIME SUSPENSION PROSPECTS: Greater journalistic freedom in political broadcasting doesn't seem in cards for 1964 campaigns. Though there's growing sentiment for it, as indicated during hearings by Sen. Pastore's (D-R.I.) Communications Subcommittee last week, Congress as a whole is still leery.

Lifting of equal-time restrictions for Presidential & Vice Presidential campaigns is assured—same as in 1960. But similar easing for candidates for Senate, House and governorships is believed to have only minor chance of success. As for complete repeal of Sec. 315—giving broadcasters same freedom enjoyed by their print brethren—not a chance.

Pastore himself would at least temporarily extend suspension to Senate, House & gubernatorial campaigns, noting that it worked "beautifully" for Presidential & Vice Presidential races in 1960. But Pastore said he doubted Senate would vote for it, echoing GOP National Chmn. Rep. Miller (R-N.Y.) who testified that House isn't likely to buy it. Miller said that "networks are entitled to great credit" for 1960 Great Debates—having allotted some $6 million in free time.

Miller was concerned about extending broadcasters' freedom into more campaigns because abuses might develop in local campaigns—and these would be hard to "monitor," compared with national network politicasts. Democratic National Chmn. John Bailey also favored 1960-style suspension.

Sen. Hartke (D-Ind.) plumped for complete repeal of equal-time Sec. 315. "If we can trust [broadcasters] for President & Vice President," he said, "we can trust them" for coverage of other offices. Pastore, Scott (R-Pa.) & Morton (R-Ky.) gave him some support, but Pastore said Congress wouldn't go for it: "You can't do it all in one bite." He also said some members of Congress resist expansion of equal-time suspension because they don't want political unknowns among opponents to get too much exposure.

Sen. Thurmond (D-S.C.) said he'd go for suspension extension to the 3 other kinds of offices, that stations in his area have been fair, but that: "Networks have presented biased, one-sided picture of civil rights. Now will they do that for candidates? That's why I don't favor repeal." He later got into shouting match with Pastore & CBS Pres. Stanton, over his charges that networks are "following the NAACP line" in coverage of racial incidents. One observer termed it "most rugged" exchange he'd seen on Hill.

Pastore was irked with FCC, when Chmn. Henry testified that Commission favors suspension for President & Vice President only, saying that FCC believes more experience is necessary. Pastore said 1960 results should be enough proof; "Why do you need 2 bites of the cherry?" he asked.

Henry reported that FCC's recent survey (Vol. 3:24 p5) showed that equal-time law seemed to present no hardships in Senatorial campaigns during 1960. But, said Pastore, FCC figures show nothing about the many stations which refuse to sell or give any campaign time at all. Henry also said that "fairness doctrine" presents more problems than equal time, said FCC hopes to produce new editorializing policy in time for House hearings July 15.

NBC Chmn. Sarnoff favored complete repeal of equal time rule. He said NBC has already received 1964 equal-time demand from Lar Daly, who said he's "Republican" candidate; Daly used to call himself "America First" party candidate. Sarnoff said that recognized 3rd parties would be given full attention, that fringe parties would get "appropriate" coverage. He said that stations should have right to editorialize but that networks shouldn't do so because views would be aired through affiliates who should make their own judgments.

CBS Pres. Stanton favored repeal of equal time, or at least expansion of suspension. However, if neither can be achieved now, he said, following should be considered: Lift equal-time rule for free time, retain it for paid time. This, he said, would allow broadcaster to "perform fully his journalistic function."

ABC Pres. Goldenson sent statement asking for permanent suspension of equal time for President & Vice President only.

Telegrams from nearly a dozen governors—plus appearance by Kansas Gov. Anderson—supported extension of suspension to other offices, including their own; no governor expressed opposition to suspension.

Attorney Paul Porter reported that President's Commission on Campaign Costs recommends complete repeal. He gave personal view that he'd like to see how suspension works for 3 other offices.

NAB Exec. Vp Vincent Wasilewski testified that broadcasters prefer complete repeal of 315, but would also support measure to widen suspension to the 3 other offices.

COMBINATION RATES BUBBLING IN GOVT.: Quietly kicking around FCC is question of "combination rates." Last Feb. (Vol. 3:5 p5), after receiving complaints from some stations, Commission issued general public notice stating that certain kinds of combinations raise serious anti-trust questions, are against public interest, must be stopped. Now, Commission faces requests for declaratory rulings in 2 cases, in which broadcasters are uncertain.

Commission named no names last Feb., because alleged culprits had never been told practice is questionable, and FCC believed they shouldn't be ambushed. What happened originally was that rep Meeker Co., following what it sincerely considered imaginative selling, went into some overpopulated radio markets, secured agreements to sell 2 or more lesser-rated stations in each city as a group, using combination rates & discounts. Upon complaints of competitors, FCC issued its Feb. ruling. Though it wasn't announced, Phoenix was city precipitating action.

As everyone knows, both TV & radio are chock full of all kinds of group buys, with combination rates as incentives. Commission staff is now puzzling over "unfair competition" and "anti-public interest" aspects.

We've checked with Station Representatives Assn., FTC, FCC, private attorneys, to find current consensus, if any. Here's what we've learned:

"As long as there's no overlap among stations in combination buy, there's no problem," stated Lawrence Webb, managing dir., Station Representatives Assn. He referred to Phoenix situation where station "network" in same city was an obvious violation of statutes.

Other issues are involved, however. Kernel of matter, as explained by an FCC official, is whether stations in any group plan gain unfair competitive advantage over any competing individual station.

Commission is inclined to rule first on easily defined issues. Phoenix situation was open-shut case. Next in order is likely to be decision on whether certain multiple ownership combination discounts unfairly affect individual stations in competing markets. After that, there will likely be decisions concerning the simplest—and seemingly least objectionable—plans whereby independently-owned stations in scattered markets sell themselves as a group.

FTC can be called upon for advisory opinion, and it has hair trigger on agreements that smack of price fixing or restraint of trade.

A Washington lawyer close to industry practices said there's definite trend in govt. to "protect single stations." He said current FCC line-up is bound to lean that way.

Cases of completely overlapping contours are, of course, per se violations, he told us. He predicted that overriding combination rate issues—including certain multiple ownership plans, cases of only slightly overlapping contours, basic national rep group plans—will be scrutinized in coming months.

SHAPP BACK AT JERROLD HELM: It will be intriguing to watch Jerrold Corp. for next year or so, now that Chmn. Milton Jerrold Shapp has reassumed presidency & active management, Pres. Sidney Harman resigning and selling his 86,000 shares to Shapp & associates.

About 2 years ago, Harman came in as Shapp began devoting most of his time to Peace Corps, industrial rehabilitation of depressed areas in Pennsylvania and elsewhere, vocational training of Negro & Puerto Rican youth, etc.

But Shapp & Harman finally came to parting, Harman pushing for diversification into areas Shapp considered too remote. Last week Shapp told us: "We will reemphasize the CATV, microwave & instrument business. We intend to maintain our positions in consumer fields, too—hi fi, etc. But we're not going into general diversification. I'm personally looking forward again to active participation in the CATV business and I hope to help solve the industry's problems." There were rumors Jerrold would now dispose of Harman-Kardon hi-fi component business, Pilot receiver production, etc. But, to contrary, firm is expanding in these areas (see p. 11).

Shapp has firm control of company, has 4 of 6 seats on board. Company lost $104,000 in first 4 months of year, and Shapp aims to reverse trend. Despite 4-month loss, however, Jerrold had record sales of $24,802,000, up 38%, for fiscal year ended Feb. 28; and record earnings of $739,617 were up 24% over preceding year.

Needling FCC on clear channel case, Rep. Harris (D-Ark.) noted that July 2 is expiration of one-year moratorium on implementation of FCC's decision. House in 1962 passed H. Res. 714 asking FCC to hold off duplicating 12 clears pending experiments with clears on powers over 50 kw, losses & gains of service with high powers, etc. Harris noted that FCC decision has been appealed by several clear channel stations, suggested that Commission may want to ask court to hand case back pending gathering of foregoing information. FCC isn't likely to vote further moratorium unless it gets another strong Congressional mandate to do so.

Network program procurement — from anti-trust standpoint—is subject of analysis made by FCC's Office of Network Study. It's understood report will be submitted to commissioners soon.

CBS Washington News Bureau will be operating for 5 owned TV stations by Sept. 1. Separate from Washington CBS News, it will have own mgr., exec. asst., cameraman, soundman.

FCC move on Negro hiring by broadcasters may or may not come about in foreseeable future. Report is that White House is studying whether FCC & similar regulatory agencies have power to enforce equal-employment-rights measure. Commission members haven't considered matter. Staff members have discussed it—but they disagree on likelihood of Commission action soon. If FCC were to act, it could institute rule-making, make issue a criterion in comparative hearings, act on complaints, etc.—presumably under broad "public interest" phase of Communications Act.

Horse-racing broadcasting rules proposed by FCC continue to draw strong criticism. Among recent filings, Neil J. Curry, pres. of National Assn. of State Racing Commisioners, urged that "horse racing must not be singled out from our major sports for regulation by the FCC . . . Illegal gambling on other sports exceeds the off-track horse-race gambling." Assn. also submitted long memorandum arguing that FCC lacks legal power to adopt the rules.

Nielsen Drops Local Radio: Nielsen made it official last week—dropping local radio service (Vol. 3:20 p2). Vp John Churchill said company wasn't able to come up with auto & portable listening measurements "at a palatable cost."

Company will stay in network radio as well as in local & national TV. It's now preparing new package to propose to radio networks for fall season. Among other ratings activities:

(1) Documentary on ratings, suggested by Rep. Harris (D-Ark.), is being considered by CBS producer Fred Friendly. Nielsen believes it could be beneficial; Press Relations Dir. Erwin Ephron wrote Friendly that program could help get public to cooperate, participate in samples. Nielsen also will ask NAB to: Promote member spot campaigns to encourage public cooperation; take stand against station promotion "hypoing" during ratings week; urge members not to tamper with surveys.

(2) At NAB board meeting last week, Group W's Don McGannon reported on reform moves (Vol. 3:25 p2), said NAB & RAB are "pledged" to work together on radio methodology study but that he isn't now recommending NAB participation in RAB's proposed Audits & Surveys Co. plan. He also said that NAB Rating Council will seek further representation by advertisers and that AAAA would be invited to become full member instead of liaison.

(3) FTC has started its 2nd ratings field investigation, has men checking station promotion practices.

(4) WAME Miami suit against Nielsen (Vol. 3:17 p1) has been transferred from local circuit court to federal court in Miami on Nielsen's petition—but move to Chicago was denied. Court also asked WAME to spell out damages more clearly.

———■———

TvB signs 19 U.S. TV stations & one British firm: WAVE-TV Louisville, KTVT Ft. Worth, KVOS-TV Bellingham, KLIX-TV Twin Falls, WPTA Ft. Wayne, WKBW-TV Buffalo, KCRG-TV Cedar Rapids, WBTV Charlotte, WABI-TV Bangor, WAGM-TV Presque Isle, WBEN-TV Buffalo, KCPX-TV Salt Lake City, WICS Springfield, WTVO Rockford, WHNB-TV Hartford, KTHV Little Rock, KOAT-TV Albuquerque, KVOA-TV Tucson, KSYD-TV Wichita Falls, and Southern Television, England.

National & regional spot TV for first quarter was up 20% to $219,771,000 from $182,098,000 for 1962's first quarter, according to TvB. Alberto-Culver ranked 7th, showed dramatic increase from $1,998,400 to $4,194,400. Bristol-Myers had biggest jump, moved from 5th to 3rd place, spending $6,681,500 compared with last year's $3,324,600. First place belongs to P&G with $16,954,900.

Advertising Council's special TV drive for "good citizenship" is getting full support from TV networks, their owned stations plus Metromedia & Group W, all members of Council's board. Drive runs through July 4, is keyed to 28-page booklet "Challenge to Americans," available free to public.

CBS will ask FCC to reconsider its decision outlawing "incentive compensation plan" and option time. CBS doesn't expect Commission to change mind, but attorneys say prudent legal strategy requires that pitch to FCC be made before appeal to courts is taken.

Cost of TV is spiralling for advertisers & agencies, adman Arthur Tatham (chmn. of Tatham-Laird & 4A's) told Advertising Federation of America convention in Atlanta recently, pointing to some choice examples: Model's hand used in commercial 5 years ago cost $26; today, due to AFTRA-SAG scales, price would be $70 plus $55 in lieu of "use fees" for total of $125. Large ad agency producing $700,000 worth of TV commercials annually faces more than double tab—$1.5 million—in talent fees. Production isn't far behind; commercials costing $7,500 apiece 12 years ago cost $15,000 today. On other AFA fronts: J. Paul Austin, Coca-Cola pres., told AFA that overseas ad revenues of U.S. advertisers are needed to help finance growth of communications (including TV) to level where there are at least 2 TV sets for every 100 people in world. New AFA officers: George W. Head (ad mgr., National Cash Register Co.) named chmn.; Melvin S. Hattwick (ad dir., Continental Oil), first vice-chmn.; Lee Fondren, mgr. KLZ Denver, 2nd vice chmn.

More than 60 stations will be involved in production of *What America Thinks*, planned 15-min. man-on-the-street show due soon from TV Affiliates Corp., offshoot of Trans-Lux. Rotating group of 10 stations will each film 90 seconds worth of *vox populi* reaction to major news events each week, will forward footage to N.Y. where TAC will assemble it into show for use by TAC member stations. Program was proposed and adopted at organization's recent Chicago meeting.

Russia has about 9 million TV sets, with 5,000 added daily, *N.Y. Times* reports. Quoting *Pravda* article by TV-radio chief Mikhail Kharlamov, *Times* states TV audience is estimated at 35-40 million, served by 130 basic TV stations & 220 relays serving 60 major cities. Originating stations carry 850 program hours daily, compared with 150 hours 5 years ago. Soviet programming can be seen in 23 countries through red bloc Intervision & Eurovision.

"Television U.S.A.: 13 Seasons" has been published by Museum of Modern Art, N.Y., annotating recent 54-program "TV retrospective" at the museum. The 40-p. book ($1.25) describes programs selected to represent TV's 1948-61 achievements and contains essays by Richard Griffith, curator of museum's film library; Gilbert Seldes, dean of Annenberg School of Communications, U. of Pa., and Jac Venza, guest dir. for TV project.

New rep: WHNB-TV New Britain-Hartford to Adam Young, from George P. Hollingbery. Through agreement between Select Station Reps and Bomar Lowrance Assoc., latter takes over representation in Atlanta, St. Louis & Dallas for WXEX-TV Richmond; WHTN-TV Huntington-Charleston & WHIS-TV Bluefield, W. Va.; KTTS-TV Springfield, Mo.

First "National Broadcast Editorial Conference," sponsored by U. of Ga. and Ga. Assn. of Bcstrs., at Athens July 25-27, will feature keynoter Howard K. Smith, Rep. Harris (D-Ark.), FCC Comr. Cox, Washington attorney W. Theodore Pierson, NAB's Dr. Mary Ann Cusack—plus sessions with top station newsmen.

Hartford's pay-TV experiment adds 2 special programs: "Joan Sutherland Show," through Charles Michelson Inc.; David Ross production of "Hedda Gabler," through International Telemeter. Celebrating first anniversary, RKO General-Zenith Radio report that nearly 3,000 families now can receive 30 hours of pay-TV weekly.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington 6, D. C.
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director
CHARLES SINCLAIR, Contributing Editor

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

TELEVISION DIGEST. Published Mondays. Services: $75-$150 annually.
For group rates & other subscription services, write Headquarters.
TELEVISION FACTBOOK Published Annually
TV & AM-FM ADDENDA Published Saturdays
AM-FM DIRECTORY Published Annually

Ch. 2 Terre Haute must be opened to comparative hearing for new applicants, Court of Appeals ruled last week. It decided that FCC was reasonable in decision taking Ch. 2 from Springfield, Ill. and assigning it to St. Louis & Terre Haute. But it held that Commission erred in failing to invite new Terre Haute applications after a 1961 court ruling. WTHI-TV operates on Ch. 10 there, holds initial decision to move to Ch. 2. Appellant was Ft. Harrison Telecasting Corp., which presumably may now apply for Ch. 2—along with anyone else. FCC is expected to insist that all applicants agree to an interim operation, to activate channel quickly.

Cigarette firms which stopped college publication ads were commended by Sen. Moss (D-Utah) last week, but he repeated his stand that TV commercials must lessen their appeal to youth (Vol. 3:18 p5). He called their action "limited, but significant," urged that an end be put to ads that "associate manliness, popularity and maturity to the use of tobacco."

Capsulized history of broadcasting, from early problems of licensing to future wall screen pictures & "talkback" circuits, is outlined by Lawrence H. Rogers II, Taft Bcstg. exec. vp, in 24-page booklet, "The Business of Broadcasting." It was prepared originally as address to N.Y. Society of Security Analysts.

NBC TV's "Peacock Studio," 10,000-sq.-ft. former Studio 8H in Rockefeller Center, was officially opened last week as 7th NBC studio in N.Y. equipped for colorcasting. Among unique features is mechanically retractible seating for use when studio audience is required, which can be stored in wall to allow full use of floor space.

RKO General Bcstg. hq & National Sales Div. moves to 1290 Avenue of Americas.

Personals

Richard Berman, ex-NBC International facilities mgr., appointed Screen Gems international operations administrator . . . **Charles L. Howell,** KTBC-TV Austin sales mgr., adds duties as mgr.; **O. P. Bobbitt,** TV-radio sales vp, adds job as radio KTBC mgr.

Bill Small, CBS News Washington Bureau news dir., promoted to bureau mgr. & news dir., succeeding as mgr. **Bob Allison** who was named producer-director for Europe.

Alan Carter, special asst. to USIA deputy dir., appointed TV service dir., succeeding **Charles N. Hill,** who joins Paul Rosen Assoc., N.Y. TV production firm.

Charles H. Tower, Corinthian Bcstg. admin. vp, elected exec. vp . . . **Frank W. Crane,** Broadcast Clearing House western mgr., elected exec. vp.

Edward S. Clammer, ex-RCA broadcast field sales engineer, named Visual Electronics govt. sales mgr., Washington . . . **Chester M. Carr,** ex-Lockheed Missiles & Space Co., appointed Bauer Electronics gen. mgr.

ETV WQED Pittsburgh promotions: Gregory Heimer, operations & programming dir., to asst. gen. mgr.; **Jay Rayvid,** production mgr., to program mgr., succeeded by **Sam Silberman.**

Chester R. Simmons elected vp & gen. mgr., Sports Programs, AB-PT subsidiary; **Roone Arledge** elected vp & exec. producer . . . **Robert M. Weitman,** MGM production vp, Culver City, elected to board.

National Community TV Assn. executive committee: Fred Stevenson, national chmn.; Archer Taylor, national vice chmn.; Jack Crosby, secy.; R. L. Stoner, treas.; Glenn Flinn, recent national chmn.; J. Leonard Reinsch & Franklin Valentine Jr., board members.

Curtis L. Pierce promoted to WNBQ-WMAQ Chicago technical operations supervisor, succeeding **Theodor Schreyer,** retiring . . . **Sid Fruchter,** ex-WNCN(FM) N.Y. mgr., apointed exec. asst. to Promotional Services Pres. **Sidney K. Halpern.**

Jay Grill, KOGO-TV San Diego gen. sales mgr., named station mgr. . . . **Manny Sternfeld,** NBC-TV sales pricing admin., named business mgr., WRC-TV-AM Washington.

Herbert W. Hobler, Videotape Center production operations dir., elected vp . . . **Charles Fritz,** ex-Blair Radio vp & Detroit mgr., appointed WXYZ vp & gen. mgr.

High-definition light-valve TV projector, with scanning rate of 1,029 lines, providing 800 lines horizontal resolution on 20-mc bandwidth, has been sold by GE's Technical Products Operation to Boeing's Aero Space Div. for space vehicle flight simulation, at cost of $86,000.

Need of ETV for college programs of academic study to train personnel outlined in 45-page report by National Assn. of Educational Bcstrs. It's based on study financed by HEW grant.

British Marconi has been appointed sole global agent for CONRAC products of Giannini Controls Corp., Glendora, Cal., including line of TV monitors.

CBS-TV has ordered 44 Marconi 4½-in. image orthicon cameras, 29 of them for new N.Y. Broadcast Center, in what British Marconi described as largest single order for 4½-in. cameras ever placed in U.S.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

FACTS ON MOTOROLA'S 2-SIZE COLOR LINE: "We've done it," Motorola announced proudly last Tue. (June 25), as it demonstrated culmination of its 2-year color program—a line of 8 sets with 23-in. rectangular tubes (starting at $650) and 3 with 21-in. round tubes ($449.95-$529.95).

By any yardstick, it was major accomplishment against heavy odds. New sets were shown at simultaneous news conferences in N.Y. & Chicago, at same moment as RCA was announcing $11.6-million tube expansion program, including new color engineering lab, to press in Lancaster, Pa. RCA's reaction to Motorola's announcement was predictable: "The 21-in. 70-degree round RCA color tube [is] the only one that currently meets our rigid standards. . ."

Here are the facts, as we saw them & heard them, at N.Y. showing:

Motorola did what many thought it wouldn't do—showed rectangular & round-tube color sets side-by-side. In color, picture quality on both sets appeared virtually identical. Color picture on 23-in. tube was good right out to critical corner areas. Black-&-white picture on both sets was completely acceptable. With picture turned off, new Motorola 23-in. sets look identical to 23-in. black-&-white receivers; in fact, it was something of a shock to see color pictures on them.

The 23-in. line features handsome cabinets throughout, with regular step-ups to $900 (Drexel cabinets at $825, $850, $875 & $900), topped by Drexel combination at $1,650. Low-end 21-in. set is vinyl-covered hardboard consolette, with first 21-in. console at $499.95. Motorola Consumer Products Pres. Edward R. Taylor said factory price of leader 21-in. is identical to that of Admiral's $399.95-list color set.

New 23-in. 92-degree rectangular picture tube resembles b&w tube (it uses same bulb), measures nearly 5½-in. shorter from front to back, nearly 4½-in. shorter from top to bottom than 21-in. round 70-degree.

Production of tube by National Video is still "limited," according to Taylor, but large-scale shipments will be under way between Labor Day and mid-Sept.

Motorola is aiming at total sales of "50,000 to 100,000" color sets this year. As to 21-in., Taylor said company hoped to make "between 24,000 & 40,000 of them—as many as we can get tubes for." RCA's color tubes are on allocation, and Taylor expressed hope that Motorola might be able to buy some from Sylvania and/or Rauland later this year. He said company plans to make more 23-in. sets than 21s, and will sell them "in the tens of thousands this year."

Motorola's total expenditure on development of color tube & set is "more than $4 million," but Taylor expects this to be recovered in about year from now. Motorola supplied tools & new plant for National Video, which makes the tubes, purchased equipment for Dearborn Glass Co., which sags the b&w bulbs and re-forms them to color's more exacting tolerances, and tools for Northern Metals, which makes shadow mask. Taylor conceded that reject rate on tubes was about 50% during early pilot runs in May, but said improvement had been steady since.

The 21- & 23-in. sets have different circuitry, both of Motorola design. Unique feature in both is color indicator light (keyed by color-killer circuit in set) which indicates when color is being broadcast. Yoke for 23-in. set is made by Advance Ross Electronics, first production color yoke to be made by any company but RCA. The 21-in. sets have no power transformer, new demodulation circuit.

The 23-in. tube is considered only interim step by Motorola. All production tools & fixtures can accommodate new 25-in. bulb now being developed by Corning (and scheduled to be ready in about year). Taylor said existing 23-in. circuit can accommodate 25-in. as direct replacement, either by changing mask or using same mask (resulting in picture slightly smaller than viewing area of 25-in. tube).

Motorola will earmark $1 million additional for advertising color from Labor Day to year's end. "Our advertising will be restrained," said Taylor. "We will assume the posture of a leader."

Impact of new shape, size & deflection of Motorola tube on industry will be significant—how significant nobody knows yet. National Video will sell the tube to other manufacturers—but, said Taylor, "only after we get all we want, and our 23-in. sets will be on allocation as far ahead as I can see."

Motorola's competitors are waiting to see how public receives 23-in. set at $650 up. They're watching to see whether quality control can be maintained in mass production. (Both Corning & RCA have opposed use of "soft" black-&-white-type glass for color tubes.) After he had reiterated that "we have found no tube that comes up to the quality of our 21-in. round," we asked RCA Electronic Components & Devices Vp Douglas Y. Smith how long it would take RCA to convert if 23-in. proved to be what the public wanted.

"It would take us about a year," he replied. "We wouldn't be starting from scratch, of course, because we know basically what the rectangular tube is all about." He said that conversion would cut into production of 21-in. round tube and put RCA's tube customers in a bind. "You can't shut down a line and retool for new production without seriously affecting output. And with our tubes currently on allocation, shortages would develop."

RCA's plans now are unknown—as to new color tube developments. Industry recently has been swept with rumors—flatly denied by both RCA & Corning—that 25-in. rectangular bulb will be ready considerably before implied target date of Summer 1964. Whether RCA will now skip its proposed 90-degree round tube & concentrate on moving directly to 25-in. rectangular is still deep mystery.

Group Exec. Vp W. Walter Watts, in brief luncheon address at Lancaster, summed up RCA's official view of rectangular vs. round color tubes this way: "There's many a girl with an ugly face who gets by on the strength & appeal of her other specifications."

(For RCA's expansion plans, see p. 9; for Motorola b&w line, see p. 10; for Taylor's views on state of industry, see p. 10.)

ALL-CHANNEL INBOARD IN MOST SEARS SETS: Jumping the gun on all-channel law, Sears' Silvertone last week became first major TV brand to eliminate vhf-only sets from large part of its line. New Fall-Winter 1963 catalog (Philadelphia warehouse edition) displays 36 basic color and black-&-white TVs, 26 of which are available in all-channel versions only.

Only 10 lower-end sets are advertised in vhf-only or with uhf options ($20 extra). In 19-in. merchandise, all-channel is standard equipment beginning at $164.95—five 19-in. sets have all-channel priced inboard; leader sets have option. In 23-in. category, all sets beginning at $229.95 (8 sets) are all-channel, while 6 lower-priced sets are available in v-only or all-channel. Leader color table model is vhf-only, at $429.95; all-channel sets begin with consolette at $459.95, and 9 of the 10 color sets in line are all-channel.

Sears' 19-in. prices begin at $109.95 for vhf portable, with first step-up at $134.95, and remote-control 2-speaker all-channel set at $209.95. Consoles begin at $169.95 (vhf), 4 combos (all-channel) at $359.95 & $449.95. Color sets in veneer cabinets are $499.95 & $559.95 (all-channel)—first time color sets have been listed in Sears' catalog.

No 16-in. or tinyvision sets are listed in catalog, although Sears is reported to have placed initial order for 10,000 plug-in 10-in. sets from Toshiba. Sears officials have declined comment about this report and about inboard pricing of all-channel sets, but it's believed its movement toward 82-channel-sets-exclusively is nationwide.

Although Sears devotes 2 catalog pages to color sets, it states that it cannot accept direct mail orders for them. They must be ordered at catalog sales office or retail store catalog sales dept. Color prices include installation (hook-up to present antenna), 90-day home-service parts-&-labor warranty.

Sears' radio line starts at $6.99 for 6-transistor radio, $8.50 for 4-tube table set, has plug-in 5-transistor clock radio for $27.95, single-cabinet FM-stereo-AM table radio at $75, 2-cabinet unit at $124.95. Sears' catalog prices should not be confused with prices charged in its retail stores—which vary regionally, and often are lower than catalog prices in special promotions.

WHERE ARE THE OLD-SIZE PICTURE TUBES? Round-corner picture tube sets don't die. They just fade away—and keep coming back.

Consumer can still buy new sets with 17-, 21-, 24- & 27-in. picture tubes, but they're becoming scarcer. Take last year's big revival of 27-in., in the new 110-degree deflection angle. Last year it was available in new lines of 8 different major TV brands. This year it shows up in exactly 4. At least 2 of these are holdover models.

One year ago, this was line-up of major-brand 27-in. sets: Admiral had 7 basic models, Du Mont 3, Emerson 1, Magnavox 13, Motorola 4, Packard Bell 1. Montgomery Ward's Airline brand also offered 27-in. sets. In new lines announced so far, Du Mont has 2 holdover combinations in 27-in., Emerson has holdover console, Magnavox has 11 consoles & combos, and 27s still appear in Montgomery Ward stores.

In major lines, 24-in. sets appear only under Magnavox brand—with actual increase in number of basic models (23 vs. 19 last year). Last year GE had promotional 21-in. "portable"; only 21-in. b&w sets this year are Magnavox (4 models). Last year, Du Mont, Emerson & RCA officially listed 17-in. sets; today, none are in official lines, although Admiral is offering promotional 17 in some markets.

Although it seems old round-cornered rectangulars are disappearing, don't count them out. They'll probably continue to keep cropping up. Excellent values often can be offered in these sizes. And after all, 17 is bigger than 16, and 21 is bigger than 19, and 24 is bigger than 23. Those manufacturers who use them sometimes do so with excellent selling results, because these sizes have become almost exclusive with them. Nevertheless, industry today is more square-cornered than it's been at any time in past.

TV-RADIO PRODUCTION: EIA statistics for week ending June 21 (25th week of 1963)

	June 15-21	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV.....	142,777	146,771	132,763	3,304,425	3,160,189
Total radio	339,268	338,147	365,264	8,248,651	8,899,647
Auto Radio.....	151,762	135,681	135,593	3,650,236	3,137,035

RCA is investing $11.6 million to add 46,000-sq.-ft. color engineering lab ($2.6 million), 154,000-sq. ft. manufacturing plant ($9 million) for stepped up production of camera tubes & other image conversion tubes at Lancaster, Pa. (see p. 7). Expansion means no increase in color tube production at Lancaster, reported Vp Douglas Y. Smith. RCA currently uses 400,000 sq. ft. of Lancaster plant for color tube production. Smith told us that conversion of b&w tube production facilities to color is continuing at Marion, Ind. plant. "Approximately 40% of the Marion plant is now in color tube production," he said, "and it is currently producing color tubes at a rate comparable to Lancaster." Conversion has been intensified at Marion during past 6 months, he added, and "more is coming."

Quality Stabilization Bill (HR-3669) was approved July 26 by House Interstate Commerce Committee and is expected to move to the floor within next 2 weeks. Comparable Senate bill (S-774) still is being processed by Commerce Subcommittee. Executive of major industry group opposing quality stabilization legislation told us: "We expect the bill to pass in the House. We don't think it will pass the Senate."

Superior Cable Corp., Hickory, N.C., forms new Systems Equipment Div., under Jules A. Mack, for "design, development & manufacture of products & equipment for communications & signal systems" in phone, TV & other electronics fields.

Magnavox has franchised all 26 stores in N.Y.'s Friendly Frost chain. Five stores will be identified as "Magnavox Home Entertainment Centers" and handle Magnavox products exclusively. Explaining new arrangement, Pres. Frank Freimann said Magnavox is not "changing its philosophy of doing business," that Friendly Frost's acquisition of Magnavox franchise is part of chain's "program to upgrade the image of its stores to one of high quality & stability" and Friendly Frost's new merchandising program "is completely compatible with the Magnavox objectives." Friendly Frost Pres. Gerald O. Kaye said most stores will continue to handle competitive makes, but "we are throwing out lines on which we can't make a fair profit."

Retail phono record sales set all-time high of $570,250,000 in 1962, increase of 11% over previous peak of $513 million in 1961, RIAA reported at week's end. LP albums accounted for about 75% of total sales volume, compared with 81% in 1961. Stereo recordings comprised about 40% of LP sales; classical record sales totaled $25 million, 25% increase over 1961 volume.

GE infringed Servo Corp. of America's basic patent on a railroad hot-box detector, U. S. District Court Judge Ted Dalton has ruled at Roanoke, Va. He found no basis for willful infringement on infrared detection device, declared Servo entitled to no punitive damages, only to actual damages stemming from infringement.

TAYLOR HITS TV PRICING: Motorola's Ed Taylor, in fine fettle, put on virtuoso performance in N.Y. last week at news conference announcing new color line (see p. 7), fielding questions for more than an hour with newsmen at lunch. (Taylor didn't get chance to eat.) Among wide range of subjects covered:

Pricing: "We have never seen such a chaotic pricing situation as characterizes our industry today. It has no rhyme nor reason, no relation to costs." Best answer, he said, lies in Quality Stabilization bill, which Motorola supports. About 20 of Motorola's 92 distributors have inaugurated fair-trade pricing. As to whether Motorola will attempt to meet new price cuts in 19-in. portables, he said: "We can't afford to drop the price. We don't do very well at $139.88—and we won't cut margins." Admiral's color set at $399.95 "makes no sense at all."

16-in. & tinyvision: Motorola has no plans to introduce 16-in. set (although it has designed one). Taylor said the market is too small, and predicted maximum sales of 500,000. As to GE's 11-in. set at $99.95: "This can be explosive. We're concerned about it." Referring to industry reports that GE plans to release more than 200,000 sets in this size, he added: "I think it will hurt the black-&-white market. This can create a tremendous market for small-screen sets, and make an opening for the Japanese manufacturers to come in and kick it around."

Predictions: He forecast sales of about 8 million TVs yearly within next 5 years—2 million color plus 6 million b&w.

All-channel: New law will slow TV sales down for a while, he said. Motorola is opposed to turret-tuner-&-channel-strip approach to uhf for remote-control tuning, feels that new uhf tuner must be devised to make remote control applicable. (There are no remote sets in Motorola's new TV line.)

Hand wiring vs. printed circuits: Although Motorola uses "hand wiring" as selling point, "we're ambivalent on this subject," he said. "We're going to stay out of the dispute—but ultimately all TV circuits will be printed or integrated circuits."

EIA board, in addition to other actions reported in our Vol. 3:25 p7 summary of 39th annual convention, approved preliminary plans for construction of EIA-owned hq in Washington, authorized "vigorous opposition" to proposals for 35-hour work week during House hearings, voted to support appropriate legislative efforts to strengthen Anti-Dumping Act, okayed stepped-up campaign to increase EIA membership. Military Products Div. was renamed Govt. Products Div., and preliminary steps were taken to establish Citizens Band Radio Section of Industrial Electronics Div.

Private labeling was roundly blasted by Brand Names Foundation Pres. Albert H. Messer at N.Y. session last week. "Private labels, by their very nature, invite competition purely on the basis of price rather than on the value of the product to the consumer," he said. "Should this price war succeed in the competitive system on which our economy is based, incentive, product development, and quality would give way to meet price competition."

WESTINGHOUSE, MOTOROLA, DU MONT: Last 3 major-manufacturer 1964 lines were officially announced last week.

Westinghouse unveiled longer TV line, with popular Instant-On feature on "virtually all models," greater emphasis on styling, and enlarged collection of furniture bases for 19-in. sets. Lowest-priced Instant-On set is "less than $160." Many prices are lower than last year.

Ten 19-in. models, including Instant-On, Mobil-Sound, Vue Timer & wireless remote sets, are designed to sell in under-$140-$280 bracket. The two 23-in. table models run $10-$20 lower than last year at $190-$250. Seven basic consoles are $200-$235. There are 2 combos at $360-$595, compared with last year's range of $400-750.

Westinghouse's color line is enlarged from 5 to 10 sets (excluding carry-overs) and priced at $525-$825—all consoles—compared with last year's table model at $595 & consoles $695-$850.

In stereo, Westinghouse has adopted transistor chassis for 3 models, all priced under $426. Lowest-priced console includes stereo FM-AM at less than $200. Innovations in TV designer bases include colonial furniture in such decorator finishes as avocado, Valencia red, Cadiz blue, verdi green.

Motorola's new black-&-white line (for color see p. 7) places renewed emphasis on consoles, which national TV sales mgr. C. P. Lloyd says will represent at least $500 million in industry-wide distributor billing this year. He said Motorola expects to increase its b&w console sales this fall for 3rd straight year.

Prices in line are relatively unchanged, with 19-in. portables held over at $139.88 & $149.95. There are four 19-in. "compacts" ($159.95-$189.95); 23-in. table models again start at $169.95. New "Custom Deluxe" console series starts at $229.95, includes "Picture Optimizer" (peaking) control. Top of b&w console line is $329.95, compared with $475 last year for top Drexel-cabinet set. Only Drexel set announced in new b&w line is top-of-line combo at $875.

Combo line is expanded to 11 models this year from last year's 8, beginning at $329.95 without radio, $429.95 with stereo FM-AM.

New Du Mont color line—expanded to 9 models from last year's 3—carries 2-year warranty on picture tube, begins at $599 and is topped by $795 console—same price as low-end set in last year's color line.

Black-&-white line starts with $159.95 portable (wireless remote version $199.95), sleep switch model at $169.95. Two portables, at $179.95 & $189.95 are offered only in all-channel versions, with one-window tuning; i.e., vhf channel window shows uhf dial when switched to "U" position. Two consolettes are $219.95-$249.95. Other consoles are $249.95-$379.95, total of 11 in all, with top end $20 lower than last year. Four 23-in. combos are $595 (vs. 5 at $595-$795 last year). Two holdover top-of-line 27-in. combos are now $795, reduction of $100 from their price last year.

Photo of Sony transistor TV is featured in ad—ad for competing Sharp TV. Trade ad by Hayakawa for its Sharp Micro TV, shows picture of Sony 5½-in. TV (labeled "$189.99") and Sony's battery (labeled "$39.95, requires special charging unit") alongside Sharp 6-in. ("$179.95") and Sharp battery ("$19.95, uses recharger built into TV"). Ad's message refers to "theirs" and "ours," and says: "Add 'em up."

Plant Shutdowns for Vacation: That time of year is here when most electronics plants close for 2 weeks or more for employe vacations, to fulfill union contracts and/or to gauge inventories. From EIA & other sources, here's our vacation calendar:

Set mfrs.: Admiral (except color production), July 1-15. Bendix Radio Div., July 22-Aug. 4. GE, July 29-Aug. 11. Magnavox, July 1-14. Motorola, July 1-14 (Chicago plants), June 24-July 14 (Franklin Park, Ill.). Packard Bell, July 1-14. Philco, July 15-28. Pilot Radio, July 1-22. RCA, July 15-28. Trav-Ler, July 1-14. Warwick, July 15-28. Waters Conley, July 15-28. Wells-Gardner, July 1-15. Westinghouse, June 24-July 7.

Tubes & semiconductors: Bendix (Red Bank Div.), July 1-7. Clevite (Transistor Div.), July 1-14. General Atronics (Electronic Tube Div.), July 1-14. General Instrument, July 1-14. Kearfott Semiconductor, July 1-14. National Semiconductor (except marketing), July 15-28. National Transistor, July 1-14. Philco (Lansdale Div.), July 15-28. Raytheon (all Mass. locations except Newton & Quincy), July 1-15. Raytheon Semiconductor Div., July 1-22. Sylvania (Ottawa, O. plant), July 15-28, Dec. 23-29. Transitron, July 1-14. Tung-Sol, July 15-28. **Not closing:** Fairchild Semiconductor, Machlett Labs, Texas Instruments, Western Semiconductors.

Components & others: Advance Ross Electronics, June 24-July 7. Aerovox, July 1-7 (New Bedford Div.), July 1-14, (Hi-Q Div.). American Bosch Arma, July 15-28. Ampex (Magnetic Tape Div.), July 1-7. Blonder-Tongue Labs, July 1-14. Erie Resistor, July 1-14. Hawley Products, July 1-14. ITT Federal Labs, July 1-21 (Ft. Wayne), July 29-Aug. 18 (all other locations). Jerrold (Mfg. Div.), July 29-Aug. 11. Litton (Westrex), Aug. 5-18. Minnesota Mining (tape-making operation), June 24-July 7. Oxford Electric, July 1-14. Reeves Soundcraft, July 22-Aug. 4. Speer Carbon (Jeffers Div.), July 1-7. Stackpole Carbon, July 1-7. Thomson Ramo Wooldridge, July 1-14 (Good-All Capacitors), July 15-28 (Radio Condenser). Western Electric (mfg. only), July 15-28. **Not closing:** Amphenol-Borg Electronics, Capitol Records, Clarostat, Collins Radio, CBS Labs, General Dynamics/Electronics, Globe-Union (Centralab Div.), International Rectifier, ITT (North America hq), ITT Kellogg Telecommunications, Littelfuse, P. R. Mallory (Radio Materials Co.), Speer Carbon (Speer Resistor Div.), Sprague Electric, Stanford Research Institute.

———■———

TV set prices declined 3.4%, radio prices 3.2%, in May 1963 compared with year earlier, Bureau of Labor Statistics reported last week in releasing May Consumer Price Index. Robert J. Myers, Deputy Comr. of Labor Statistics, specifically cited Admiral's $399.95 color set, Emerson's 16-in. at $99.95 and GE's 11-in. as "3 major jolts" in TV industry contributing to over-all softening of consumer goods prices.

Fairchild-Du Mont has franchised Industrial Video Corp. exclusive distributor & service agency for closed-circuit TV equipment & systems in N.Y. City area. Industrial Video, headquartered at 64-26 68th Ave., Queens, is headed by Pres. Frank L. Wilson. Michael Bonifazio is engineering dir. New distributor will represent Du Mont closed-circuit TV line in the 5 N.Y. burroughs, Westchester County & Long Island.

PILOT EYES COLOR TV: One of first names in TV, Pilot Radio Corp.—now a leader in packaged-component and component hi fi—may return to TV production as early as next winter, depending on wishes of its dealers.

Now established in new $2-million plant in Yonkers, N.Y., and with new management team firmly ensconced, Pilot is casting glances in direction of color TV home entertainment centers. "Our product planning & design are geared to give the dealer the kind of products he wants," Vp-Gen. Mgr. Roland J. Kalb told us last week. "If he wants color TV phonograph combinations, we are prepared to make them."

If Pilot does return to TV, said Kalb, it will be in color only—and its output would be limited to TV-radio-phono combinations. In such a case, "we would build our own chassis—we owe it to our dealers & customers to provide complete home entertainment centers built to our own quality standards." Pilot had several TV combinations in its line a few years ago, but TV chassis were purchased from others.

Kalb reported Pilot's sales volume has increased 65% in last 9 months compared with same period last year. New 165,000-sq.-ft. Yonkers facility will triple Pilot's manufacturing capacity.

Kalb said Pilot's status as autonomous subsidiary of Jerrold Corp. would not be affected by resignation of Jerrold Pres. Sidney Harman and assumption of duties of chief executive by Chairman Milton J. Shapp (see p. 4). Jerrold also announced it will continue operation of its other hi-fi subsidiary Harman-Kardon.

Trade Personals

J. Erik Jonsson, chairman of Texas Instruments Inc., elected to board of Council for Financial Aid to Education, non-profit agency to stimulate private support of higher education.

Earl Dallam Johnson resigns as General Dynamics vice chmn. & a dir., will continue as consultant.

Bryce S. (Buz) Durant, RCA Sales Corp. product planning & development vp, won first place in June 22 Gold Rush Golf Tournament at Hillcrest Country Club in Indianapolis, scoring 86; team headed by Durant also placed first.

Marcus A. Acheson, leader in electronic tube development for nearly 40 years and developer of 1.4-volt filament line which made portable radio practical, retires July 1 after 29 years with Sylvania.

Stanley Luke elected an ITT vp, named business development dir. for ITT North American Area . . . **S. Leslie Schwartz** named a Howard W. Sams vp.

Nelson G. Spoth, gen. mgr. of Thomson Ramo Wooldridge's Kolcast Industries Div., elected a vp.

Barnett H. Green, pres. of Harvey Radio's subsidiary Federal Electronics, elected a dir. of parent firm.

Gertrude Nelson appointed Institute of High Fidelity exec. secy. . . . **Gregory Barkoukis,** Crest Electronics, Akron, elected pres. of newly formed National Electronic Assns., organization of state service groups.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Gulton Industries	1963—qtr. to May 31	$ 6,108,000	$ 46,000	$ 21,000	$0.02	1,139,492
	1962—qtr. to May 31	6,955,000	748,000	364,000	.32	1,130,670
Industrial Electronic Hardware	1963—year to Mar. 31	6,244,883	204,150	146,423	.20	716,307
	1962—year to Mar. 31	4,802,361	336,081	147,456	.22	670,799
Outlet Company (WJAR-TV Providence)	1963—qtr. to Apr. 27	3,619,932	——	124,530	.25	497,100
	1962—qtr. to Apr. 27	3,565,191	——	239,074	.48	497,100
Realtone Electronics	1963—year to Mar. 31	6,827,377[1]	——	236,582	.28	324,000
	1962—year to Mar. 31	5,489,470	——	255,772	.30	324,000

Notes: [1] Record

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Lynch Corp. (Symphonic)	Stk.	3%	Sept. 20	Aug. 30
MPO Videotronics-A	Q	$0.10	July 15	July 1
MPO Videotronics-B	—	.001	July 15	July 1
Metromedia	Q	.10	Aug. 1	July 12
Sangamo Electric	Q	(omitted)	—	—

Reports & comments: Magnavox & International Resistance, comments, Orvis Brothers, 15 Broad St., N.Y. 5 • **Schlumberger** (Daystrom), report, Carl M. Loeb, Rhoades & Co., 42 Wall St., N.Y. 5 • **AT&T,** report, Janney, Battles & E. W. Clark, 1401 Walnut St., Phila. 2, Pa. • **Zenith & Magnavox,** reports, Amott, Baker & Co., 150 Broadway, N.Y. 38 • **Magnavox,** report, Eastman Dillon, Union Securities & Co., 15 Broad St., N.Y. 5 • **RCA,** pamphlet report, Hardy & Co., 30 Broad St., N.Y. 4.

General Tire & Rubber's "investment in the entertainment business has worked out profitably," noted June 26 *Financial World,* adding: "The RKO General subsidiary set records in both billings & pre-tax earnings in fiscal 1962. Earnings of this Division likely will be penalized by the costs of a subscription TV experiment in Hartford [but] this test of a potentially important new entertainment concept could have long-range significance." *World* also explored GT&R CATV systems.

RKO General "contributed substantially to the improved results" as parent General Tire & Rubber scored record sales & earnings in the 1963 fiscal first half ended May 31. Pres. M. G. O'Neil said: "General business outlook continues encouraging and we expect the year's results to produce greater sales and better earnings than last year."

Taft Bestg. closed its 1963 fiscal year March 31 (Vol. 3:23 p12) with total current assets of $6,132,617 (including $3,083,943 cash) vs. current liabilities of $4,490,556. This compares with year-earlier assets of $5,117,631 ($1,633,551 cash) vs. $3,379,421 liabilities.

Lynch Corp. board has given final approval to merger of Cox Instruments (Vol. 3:22 p11), in which Lynch now owns some 55% of outstanding stock. Effective: June 28.

Mergers & acquisitions: Tung-Sol & Purolator Products directors have approved merger plan, subject to approval of stockholders of both companies (Vol. 3:19 p11). Proposed merger calls for Purolator to issue one share of $100 par, 4½% cumulative preferred stock (convertible at $85 a share) for each 4 shares of Tung-Sol common. Purolator currently owns about 100,000 of Tung-Sol's outstanding 926,826 shares • **Minnesota Mining & Mfg.** will acquire **Dynacolor Corp.,** maker of photographic film, paper & chemicals, if latter's stockholders approve at special Aug. meeting. Terms: one share of 3M common for each 5 of Dynacolor's outstanding 1,390,440 shares.

RCA has been awarded Presidential "E-for-Export Expansion" for "outstanding contribution to govt.'s export expansion program." Award, presented to RCA Pres. Dr. Elmer W. Engstrom by Commerce Secy. Luther Hodges, noted approximate 25% increase in RCA export sales over past 3 years. RCA's TV export business was cited as example of "conspicuous success" in developing markets abroad for existing products not heretofore exported. Commerce Dept. singled out as example RCA's multi-million contracts for supplying radio & TV equipment to Nigeria.

American TV Inc., which reportedly has reached merger agreement with Wilcox-Gay Corp. (Vol. 3:25 p9), plans to expand out of Chicago area, where it has own local manufacturing-retailing operation. Plans call for manufacturing facilities in Puerto Rico & San Diego. American TV, headed by U. A. Sanabria, recently introduced color TV line starting with set designed to be sold at $399.95. Also planned by company is "transcolor" set with color chassis and 23-in. b&w tube, which can be replaced later by rectangular color tube.

MCA-Technicolor merger rumors were nailed by MCA Pres. Lew Wasserman. "There are no discussions of any kind going on with Technicolor," he said. Technicolor also denied any takeover conversations are in progress.

Distributor Notes: William J. Woody, ex-Webcor, joins Admiral as regional sales mgr. covering distributors in Norfolk, Va., Columbia, S.C., and Charlotte & Raleigh, N.C., with hq in Charlotte • **Webcor** appoints **The Sampson Co.** (Robert L. Sampson, pres.), 2244 S. Western Ave., Chicago 8, distributor for phonographs & tape recorders in Chicago, northeastern Illinois & Lake County, Ind.

FEDERAL COMMUNICATIONS COMMISSION
ORGANIZATION CHART

36856

Distributed as a Special Supplement of
Television Digest
2025 Eye Street, N.W.
Washington, D. C.

THE COMMISSION

E. WILLIAM HENRY, CHAIRMAN

ROSEL H. HYDE
ROBERT E. LEE
KENNETH A. COX

ROBERT T. BARTLEY
FREDERICK W. FORD
LEE LOEVINGER

IN ADDITION TO HIS REGULAR DUTIES AS A COMMISSIONER, COMMISSIONER BARTLEY, AS DEFENSE COMMISSIONER, PROVIDES POLICY GUIDANCE OF THE COMMISSION'S EMERGENCY PREPAREDNESS ACTIVITIES UNDER E. O. 11092 AND ITS DEFENSE COORDINATION AND MOBILIZATION ACTIVITIES.

OFFICE OF EXECUTIVE DIRECTOR

CURTIS B. PLUMMER, Executive Director
ROBERT W. COX, Deputy Exec. Director

BUDGET & FISCAL DIVISION
RICHARD F. SOLAN, CHIEF

MANPOWER UTILIZATION & SURVEY DIVISION
DELBERT H. FLINT, CHIEF

DATA PROCESSING DIVISION
J. N. HAND, CHIEF

OFFICE SERVICES DIVISION
PAUL H. SHEEHY, CHIEF

MAIL & FILES DIVISION
CLARA A. FAIRALL, CHIEF

OFFICE OF EMERGENCY COMMUNICATIONS
KENNETH W. MILLER, CHIEF

OFFICE OF SECURITY
GEORGE W. ADAMS, CHIEF

OFFICE OF REPORTS & INFORMATION

GEORGE O. GILLINGHAM, CHIEF

OFFICE OF THE SECRETARY

BEN F. WAPLE, SECRETARY

- MINUTE & RULES DIVISION — ANNETTE E. HUTTERLY, CHIEF
- DOCKETS DIVISION — JESSIE R. BLAINE, CHIEF
- TECHNICAL ASSISTANCE DIVISION — GORDON KENT, CHIEF
- LIBRARY DIVISION — HELEN A. CLARK, CHIEF

OFFICE OF OPINIONS & REVIEW

SYLVIA D. KESSLER, CHIEF

REVIEW BOARD

DONALD J. BERKEMEYER, CHAIRMAN
JOSEPH N. NELSON, MEMBER
DEE W. PINCOCK, MEMBER
HORACE E. SLONE, MEMBER

OFFICE OF HEARING EXAMINERS

JAMES D. CUNNINGHAM, CHIEF HEARING EXAMINER

OFFICE OF CHIEF ENGINEER

E. W. ALLEN, CHIEF ENGINEER
RALPH RENTON, ASSOCIATE CHIEF ENGINEER
W[illiam] C. BOESE, ASST. to the CHIEF ENGR.
RUBY CALDWELL, ADMINISTRATIVE ASST.

- TECHNICAL DIVISION — JULIAN T. DIXON, ASST. CHIEF ENGR.
- RESEARCH DIVISION — ARNOLD G. SKRIVSETH, ASST. CHIEF ENGR.
- FREQUENCY ALLOCATION & TREATY DIVISION — WILLIAM H. WATKINS, ASST. CHIEF ENGR.
- LABORATORY DIVISION — EDWARD W. CHAPIN, ASST. CHIEF ENGR.

OFFICE OF GENERAL COUNSEL

MAX D. PAGLIN, GENERAL COUNSEL
HENRY GELLER, DEPUTY GEN. COUNSEL
HILBURT SLOSBERG, ASSOCIATE GEN. COUN.

- LITIGATION DIVISION — DANIEL R. OHLBAUM, ASSOC. GEN. COUNSEL
- LEGISLATION DIVISION — GERARD M. CAHILL, ASSOC. GEN. COUNSEL
- ADMINISTRATIVE LAW & TREATIES DIVISION — ROBERT D. GREENBURG, ASST. GEN. COUNSEL
- ENFORCEMENT & DEFENSE DIVISION — JOHN C. HARRINGTON, ASST. GEN. [illegible]NSEL

BROADCAST BUREAU

JAMES B. SHERIDAN, CHIEF
JAMES O. JUNTILLA, ASSISTANT CHIEF
WALLACE E. JOHNSON, ASSISTANT CHIEF
HYMAN H. GOLDIN, ASSISTANT CHIEF
ESTELLE J. BUNN, ADMINISTRATIVE ASST

- OFFICE OF NETWORK STUDY — ASHBROOK P. BRYANT, CHIEF
- BROADCAST FACILITIES DIVISION — _____, CHIEF
- RULES & STANDARDS DIVISION — HART S. COWPERTHWAIT, CHIEF
- HEARING DIVISION — THOMAS B. FITZPATRICK, CHIEF
- RENEWAL & TRANSFER DIVISION — ROBERT J. RAWSON, CHIEF
- COMPLAINTS & COMPLIANCE DIVISION — WILLIAM RAY, CHIEF
- RESEARCH & EDUCATION DIVISION — _____, CHIEF
- LICENSE DIVISION — CLARA M. IEHL, CHIEF

COMMON CARRIER BUREAU

JOHN J. NORDBERG, CHIEF
BERNARD STRASSBURG, ASSOCIATE CHIEF
JOHN R. LAMBERT, ASSISTANT CHIEF
IRENE DURGIN, ADMINISTRATIVE ASST.

- OFFICE OF SATELLITE COMMUNICATIONS — BERNARD STRASSBURG, CHIEF
- OFFICE OF PLANNING & SPECIAL PROJECTS — JOHN R. LAMBERT, CHIEF
- SERVICES & FACILITIES DIVISION — CHARLES COWAN, CHIEF
- RATES DIVISION — SYDNEY L. O'GUIN, CHIEF
- OFFICE OF FIELD COORDINATOR — CHARLES R. MAKELA, CHIEF
- INTERNATIONAL DIVISION — MARION H. WOODWARD, CHIEF
- DOMESTIC RADIO DIVISION — FRANK PALIK, CHIEF
- ACCOUNTING DIVISION — ROBERT E. STROMBERG, CHIEF

SAFETY & SPECIAL RADIO SERVICES BUREAU

JAMES E. BARR, CHIEF
IRVING BROWNSTEIN, ASSISTANT CHIEF
KENNETH L. BERGERON, ADM. ASST.

- LEGAL, POLICY & ENFORCEMENT OFFICE — J. RUSSEL SMITH, CHIEF
- AVIATION RADIO DIVISION — JOHN R. EVANS, CHIEF
- AMATEUR & CITIZENS RADIO DIVISION — IVAN H. LOUCKS, CHIEF
- MARINE RADIO DIVISION — EVERETT G. HENRY, CHIEF
- INDUSTRIAL RADIO DIVISION — DANIEL H. ARNOLD, CHIEF
- PUBLIC SAFETY RADIO DIVISION — JOHN J. McCUE, CHIEF

FIELD ENGINEERING BUREAU

GEORGE S. TURNER, CHIEF
FRANK M. KRATOKVIL, DEPUTY CHIEF
JOHN H. McALLISTER, ATTY.-ADVISOR
FRANCIS KEEFE, ADMINISTRATIVE ASST.

- FIELD OFFICES DIVISION — PAUL H. HERNDON, JR., CHIEF
- ENGINEERING & FACILITIES DIVISION — FLOYD W. WICKENKAMP, CHIEF
- MONITORING SYSTEMS DIVISION — IRVING L. WESTON, CHIEF

JUNE 1963
MANAGEMENT ANALYSIS BRANCH
F.C.C. - WASHINGTON, D. C.

_____ SOLID LINES INDICATE "ADMINISTRATIVE CONTROL"
_ _ _ _ _ BROKEN LINES INDICATE "SUPERVISION AND COORDINATION"

These

Gulton I

Industri
Hardv

Outlet C
(WJAI

Realtone

Notes:

Corp
Lynch
(Syn
MPO V
MPO V
Metron
Sangar

R
sistanc
5 • S
Rhoad
ney, B
Pa. • Z
Broadv
Union
pamph

G
ment b
Financ
set rec
1962. F
the cos
[but] t
ment c
also ex

Rl
proved
record
May 31
look co
sults t
last ye

Ta
3:23 p
ing $3,
This co
633,551

Ly
of Cox
owns s

NAB LIBRARY

WEEKLY **Television Digest**

with

Consumer Electronics . . . (starts page 7)

JULY 8, 1963 NEW SERIES, VOL. 3, No. 27

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

DELAY IN DROP-IN DECISION until Sept. caused by extension of filing time, FCC study. Loevinger still swing man. Cox flails colleagues. Uhf CP-holders asked to explain why they're dark (p. 1).

CLEAR-CHANNEL DECISION STANDS—unless Congress votes otherwise —FCC tells Harris. Decision is still good, it says, will bring more service to more people. Next move up to Harris (p. 2).

COMMERCIALS NO. 1 TOPIC IN FCC MAIL BAG: Complaints div. getting heaviest mail pull on rule-making placing ceiling on commercials. Stations & Congressmen against it, public for it (p. 2).

RATING AUDIT BY FALL; OTHER MOVES: Rating Council expects audit & accreditation to be operational by then; Harris report on hearings due by end of Aug.; AAAA proposes 3 observers for Council (p. 3).

SARNOFF OVERSEAS-CARRIER proposal faces uphill fight. Congressional hearings not likely this year, White House study possible (p. 4).

ABC's PLEA FOR OPTION TIME says competitive position vis-a-vis CBS & NBC will worsen, asks longer adjustment period (p. 4).

Consumer Electronics

RCA STANDS PAT on color tube, notifies set makers it has no 'near future' plans for new tube; move sheds little light on future of shelved 90-degree round tube; F. W. Sickles resumes output of 70-degree color yokes (p. 7).

'WARRANTY WAR' may tarnish brand image, create consumer disbelief, damage retailer, despite some obvious virtues of guarantee as advertising tool, says ad & marketing specialist (p. 7).

SHALLOW SEES DISTRIBUTION UPHEAVAL: 'Day of independent distributor is over,' former Magnavox executive tells us. Forecasts 'radical change in distribution' over next 5 years; John M. Otter, ex-Philco distributor, establishes 'total marketing service' for all industries (p. 8).

TUNNEL DIODE APPEARS in first consumer product—Sony's uhf adaptor for transistor TV; Sony chief says transistor TV price will drop 'ultimately,' sees company making other sizes (p. 10).

MATHES COLOR AT $399.95 leads off 29-set color line; 23-in. b&w sets offered in same cabinets with privilege of exchanging chassis for color later; another phono manufacturer talks of entering color TV (p. 10).

HOME TV TAPE RECORDER at $160, to be marketed late this year, promised by British manufacturer, puzzling U.S. industry; tape speed of 120 ips seen as indication that device is speeded-up audio recorder, although 300 lines resolution is claimed (p. 11).

APRIL PHONO SALES by distributors 22% ahead of last year in April, 32% ahead for first 4 months (p. 11).

NEW FCC ORGANIZATION CHART: With FCC making so many changes in recent months, particularly in personnel, we thought you might like to have an up-to-the-minute chart showing who's who and flow of authority. Chart is official, prepared by Commission's Office of Exec. Dir. It's included herewith as Special Supplement to all subscribers—handy for wall or desk pull-out use.

DELAY IN DROP-IN DECISION: Vhf drop-in reconsideration is a pressing matter, FCC Chmn. Henry tells us, but it's now apparent that time is too short for Commission to act on it before Aug. recess. So, Sept. is earliest date. Meanwhile, more time for comments is likely to be given by Commission.

New Comr. Loevinger is still key man, holding crucial vote—since he replaced Chmn. Minow who voted with 4-man majority against drop-ins. It would be extremely surprising if any commissioner changed his previous vote.

Comr. Cox came out with blistering 24-page dissent against colleagues' decision. He said he yields to none in hopes & efforts to make uhf viable, but he insisted that drop-ins wouldn't hurt uhf, but would help ABC-TV in its urgent need for competitive affiliates.

Cox said FCC seemed to believe Congress's vote of all-channel law was also a vote against drop-ins —but he considers that view "completely erroneous." Said he: "I do not understand how a program represented to Congress as a long-range solution to the allocations problem which it is hoped will produce the

essential pre-conditions for uhf success some years from now can be urged as having reversed overnight all the experience of uhf operators faced with competition from 2 vhf stations. It may be argued that nothing should be done which would seem to reflect adversely on the viability of uhf now that the Commission is once again pushing for expansion of uhf operations. This concern is understandable—if a little late. . . .

"The chances of really extensive implementation of the hundreds of idle commercial uhf allocations would seem best at a point some 7 or 8 years hence when the all-channel legislation will have resulted in a substantial percentage of homes being able to receive uhf signals. I cannot see how those chances could be impaired by authorizing 7 interim vhf stations at short spacing, with the requirement that they run a concurrent uhf operation and then shift over to uhf-only at the end of 7 years." Cox used some pretty brusque language on his colleagues; you can get copy of full text from him.

ABC presented many of same arguments Cox used, in its petition for reconsideration—which includes a comprehensive history of allocations. ABC again promised it would give greater compensation to drop-in stations which would operate simultaneously on uhf.

• • • •

FCC meanwhile gave another of its periodic prods to non-operating uhf grantees. It asked 42 commercial & 9 non-commercial grantees to indicate "the present status of your organization, your physical plant, and your plans with respect to future operation of the station." Usually, after such a nudge, several CP-holders decide to return their grants. It will be interesting to see if passage of all-channel bill and ups-&-downs of vhf drop-ins makes a difference.

CLEAR-CHANNEL DECISION STANDS—UNLESS: FCC plans to stick to its clear-channel AM decision—to grant new Class II stations on 13 clear channels—despite Rep. Harris's (D-Ark.) strong hints that it should wait. Only another major Congressional mandate, such as passage of a House resolution again, would persuade Commission to hold off (Vol. 3:26 p4).

FCC last week answered Harris's letter. It's understood that Commission told him it still believes its decision is good, that move will give much-needed service to areas now poorly covered—while cutting out relatively little current coverage.

Harris had asked FCC what it was doing about higher power for clears. Commission noted that WLW Cincinnati has asked for 750 kw and that petitions for rule-making to permit higher power are pending; FCC said it expects to act on them shortly. Harris also wanted to know whether higher power will be possible if channels are duplicated—and Commission told him hikes would be possible on a number of clear channels.

Question now is whether Harris will again seek legislative action to forestall new grants on clears.

COMMERCIALS NO. 1 TOPIC IN FCC MAILS: "Overcommercialization" has taken over top spot in mail attraction at FCC's complaints & compliance div. Commission's proposed rule-making to limit commercials (Vol. 3:20 p6) has displaced cases of Pacifica Foundation & Dr. Carl McIntyre's shortwave station, heaviest mail-pullers in recent months:

(1) Stations are vehement about ceiling, attack proposal as unwarranted move into private enterprise, charge that it's first foothold in program control. Small-market stations are particularly upset, asserting that retailers in their markets can't afford to pay much for spots—so that ceiling would create severe hardship.

(2) Letters from Congressmen, speaking for station constituents, denounce proposal as unjustified govt. intervention.

(3) Most of mail from public favors proposal, stating that industry self-regulation hasn't worked. Some letters, apparently stimulated by station editorials, are critical of FCC. Commission has even heard from class of 11th graders.

RATING AUDIT BY FALL; OTHER MOVES: Audit & accreditation of rating services are expected to be operational by Fall. NAB's Rating Council has decided that use of outside group, such as independent accounting firm, is best way to handle audit—to eliminate possibility of conflict of interest if broadcasters conducted it.

Harris Subcommittee expects to finish report on ratings hearings by end of Aug. It will be fairly brief, 30-40 pages, will contain recommendations, sampling of transcript highlights, background information leading up to investigation & hearings. Report will be critical of NAB & industry for not moving earlier for clean-up; Subcommittee staffer said he hopes NAB plan will be solid by time report is published.

Rating Council questionnaires on raters' methods will serve as basis for accreditation, are being drawn up by: Dr. Lee Arons, TvB (covering ARB), Hugh Beville, NBC (national Nielsen & Sindlinger); Miles David, RAB (Pulse); Mary McKenna, Metromedia (local Nielsen); Melvin Goldberg, NAB (Hooper).

AAAA Pres. John Crichton answered NAB's latest invitation for full participation in Council. In letter to Group W's Don McGannon, chmn. of NAB Research Committee, Crichton held to position of "observer" status. Only this time there would be 3 observers, drawn from different AAAA committees: Special Broadcast Policy, concerned with national ratings & network buying; Broadcast Media, local ratings & spot buying; Research, broadcast rating methods. Last-named observer would also have liaison with Advertising Research Foundation.

Crichton said "our basic concern is with the improvement of rating services as an aid to our business in reaching buying decisions . . . We are as concerned with an improvement in the accuracy and validity . . . as we are with an audit of their existing performances." He said if the Rating Council doesn't bring about long-range up-grading "it will not have fulfilled any of the obligations it has undertaken," as AAAA sees it. Crichton also urged Rating Council to work with Advertising Research Foundation on methods improvement.

Action by FTC & FCC to do away with deceptive use of ratings in promotion is receiving applause from some rating companies, whose problem over the years has been station disregard for contract conditions specifying limitations on use of numbers in promotion & selling. One major firm told us that interim objectives of FTC-FCC should be written into NAB's plan.

Beleaguered Pulse has cases in Tucson, Boise & Orlando where stations have "illegally" used reports they didn't subscribe to. Tucson has turned up other problems for Pulse. Stations there are puzzling over differences between March & last October surveys, one station going from 48 to 13 in audience share. Lawyer representing nearly all Tucson stations asked Pulse last week for diagram of area surveyed, number of interviews & data for March survey, names of supervisors & interviewers.

Political parties' TV-radio expenditures for Presidential & Vice Presidential election campaigns would be paid by Treasury Dept. in measure (HR-7282) put forth by Rep. Monagan (D-Conn.). It would reimburse up to $1 million to parties whose top candidates received 10% or more of total popular vote, or up to $100,000 to parties whose candidates polled less than 10%, more than 1%. In other political broadcasting actions, Georgia Assn. of Bcstrs., holding National Editorial Conference July 25-27, has asked to testify at House editorializing hearings which start July 15 (Vol. 3:25 p1). FCC Chmn. Henry is scheduled July 16.

Station rate-cutting, especially prevalent in radio, didn't escape ratings investigators Robert Richardson & Rex Sparger when they were touring country for Harris Subcommittee. Without benefit of hearings, here's solution advanced by Richardson: Require stations to file rate cards with FCC; he says this will give printed rates official status, doing away with wheeling & dealing at agency-advertiser levels.

Station sale transactions should allow FCC a chance to consider buyers other than those proposed by seller, FCC outlined in draft of proposed bill to amend Sec. 310(b) of Communications Act. Commission said similar action had been recommended twice by House Legislative Oversight Subcommittee. Measure would allow FCC to examine public interest questions of sale by striking prohibitive language in present section. Comr. Bartley would go further, requiring proposed buyer to demonstrate his superiority over seller, except in pro forma & involuntary cases.

ETV applications accepted by HEW Dept. for federal funds now total $1.36 million—of the $1.5 million voted for this year by Congress. Applicants: Chicago Education TV Assn., Ch. 20, $309,099; Pa. State U., State College, Ch. 69, $239,580; N.J. Educational TV Corp., Montclair, Ch. 77, $339,091; S.C. Educational TV Center, Charleston, Ch. 7, $59,965, and $285,261 for Ch. 29 Greenville; Hampton Roads Educational TV Assn., Norfolk, studio equipment for WHRO-TV (Ch. 15), $129,943.

Sarnoff on Overseas Carriers: RCA Chmn. Brig. Gen. David Sarnoff faces uphill fight in his effort to see all international communications combined under Communications Satellite Corp. (Vol. 3:22 p5). He urged "prompt" Congressional hearings on subject, but hearings this year aren't considered likely. However, a study ordered by Pres. Kennedy is believed possible.

Among powerful forces disagreeing with Sarnoff is AT&T, which likes present setup—AT&T handling voice, other firms handling "record" services.

In letters to Sen. Magnuson (D-Wash.) and Rep. Harris (D-Ark.), Sarnoff blasted ITT Pres. Harold Geneen's suggestion that Congress allow merger of all record companies. He said it's "an exercise in futility" to try to separate voice & record services, because technology has blurred the distinction. Said he: "The customer wishes to talk, transmit & record information at the same time. In other words, he wants complete service. Modern technology makes that possible, but the ITT proposal would make it impossible." Sarnoff stated that a "unified organization" could start with "immediate revenue base" of traffic from existing carriers, which amounted to $160 million in 1962 and "could deal with equal strength, and on equal terms, with govt. monopolies in foreign countries." As for Geneen's assumption RCA would be willing to sell its communications subsidiary to a merged record carrier group, Sarnoff said it was "frivolous"—"truly . . . the tail wagging the dog."

———■———

National Educational TV & Radio Center has decided to concentrate solely on TV. Continuing separate ways, sometime before year's end, will be center's 2 radio arms: Broadcasting Foundation of America, which distributes foreign shows to U.S. commercial & educational stations, and Educational Radio Network, linking 8 stations, Boston to Washington. Reportedly, Ford Foundation expressed desire for TV emphasis. BFA board elected as chmn. George E. Probst, Thomas Alva Edison Foundation exec. dir. ERN Dir. Donald Quayle said group hopes to give public "alternative radio service."

Case of former CBS newsman, who served as first exec. secy of pro-Castro Fair Play for Cuba Committee, brought warning from Sen. Dodd (D-Conn.) that news media have obligation to check on loyalty of employees. In releasing April 10, 1962, testimony of Robert Taber, Dodd said it's something to "ponder" that his "totally pro-Castro presentations [were] purveyed to the American public." CBS spokesman said Taber left CBS in 1960, that he was one of many newswriters, that CBS had no reason to question his objectivity at the time.

Machtronics' 68-lb. video tape recorder will be distributed to industry via Storer Programs, Inc., under agreement announced by Storer's Terry H. Lee. Recorder was first shown at IEEE & NAB conventions (Vol. 3:13 p6 et seq.). Storer's Hank Davis will put full time on sales. Storer's 5 stations will use units, designated MVR 15. Price is $12,150.

Demand for more colorcasting in Cleveland, sent to FCC Chmn. Henry by Cleveland Councilman Anthony Pecyk, was answered by Henry with: (1) Color sets are moving now, and stations will have more incentive to colorcast. (2) Suggestion that FCC authorize an "all-color" station in Cleveland isn't practical because most programs aren't available in color.

ABC's Plea for Option Time: "FCC has placed ABC in double jeopardy," network told Commission last week, by rejecting vhf drop-ins and abolishing option time. In petition for reconsideration, ABC said Commission "has done violence to its paramount policy of fostering competition among the networks."

ABC insisted that removal of option time works greater hardship on it than on CBS & NBC, because it has fewer primary affiliates—127 vs. CBS's 191, NBC's 193. ABC said it must pay as much for programming as other 2 networks but must spread cost among fewer stations and get less for time charges.

ABC also requested more time to adjust to abolition of option time than the Sept. 10 date—pointing out that affiliation contracts have up to 2 years to run. It said FCC decision was "unduly harsh & abrupt" and that more "turn around" time should be allowed.

———■———

Competition, not regulation, is answer to overcommercialization, according to FCC Comr. Ford. If FCC puts NAB commercial limitations into rules, he said in recent speech, it would "undermine & destroy" incentive for self-regulation. He suggested that new Commission program form can do the job. He'd change form as follows—and Commission is considering it: "I would require an annual estimate of the total time the station involved is on the air in the ensuing year for a typical week; the percentage of that total time which would be devoted to advertising continuity and the percentage which would be devoted to program continuity in each segment of the broadcast day. I would retain the composite week for the purpose of obtaining the same information for the previous year. Although I do not consider either the typical week or the composite week appropriate for program material on a percentage basis, I do consider them appropriate for program-non-program time purposes. I would then make these figures public and let the market place regulate the limitation on advertising and any abuses of overcommercialization. It is my belief that the competitive factors involved would soon level off the percentage of advertising continuity, at a point which the listeners, the sponsors, and the broadcasters would find reasonable."

New starter is KAIT-TV (Ch. 8) Jonesboro, Ark. which received FCC program test authorization July 3. It's an independent. Owner is George T. Hernreich, ex-50% owner of KNAC-TV (Ch. 5) Fort Smith. Equipment came from Visual Electronics. KAIT-TV is 5th new station this year —others being WTEV (Ch. 6) New Bedford, Mass. (serving Providence), which started Jan 1; WOOK-TV (Ch. 14) Washington, March 5; WGSF (Ch. 28 ETV) Newark, O., March 18; KIIX (Ch. 22) Los Angeles, March 25. In addition, WQEX (Ch. 16 ETV) Pittsburgh resumed Jan. 18 after being off since Nov. 1961.

Violation of First Amendment which prohibits censorship is a major argument of several comments filed against FCC's proposed strictures on horse-race broadcasters. The position is taken by NAB, Thoroughbred Racing Assns., and Md.-D.C. Bestrs. Inc., among others. Comments also assert that Congress hasn't given FCC authority to promulgate such rules, may not be able to under Constitution. In addition, proposal is termed discriminatory—and, finally, will do very little to achieve FCC's aim: Curbing illegal gambling.

New Emergency Broadcast Rules: Old Conelrad system is out, and new Emergency Broadcast System has been adopted by FCC, effective Aug. 5. In new set-up:

(1) System will be used "during a war, threat of war, state of public peril or disaster or other national emergency."

(2) TV & FM stations, plus AMs not holding special authorization, will go silent during emergency. AM stations in emergency system continue on their regular frequencies—640 & 1240 kc no longer used exclusively.

(3) System will transmit only federal govt. messages —closing down other times. All stations in each area will carry same program. Call letters won't be used, but area identification will be employed.

(4) During weather emergency, all stations may transmit warnings.

(5) Official federal govt. messages will be sent to stations via AP & UPI teletype.

(6) Non-network stations in system may be connected to any network during emergency.

———■———

Network TV gross time billings for April were 8.8% above April 1962's figure, according to TvB, totaling $68,913,571 vs. $63,330,106 year earlier. By network: ABC-TV, $18,576,083 vs. $17,237,755, up 7.8%; CBS-TV, $26,414,025 vs. $24,193,144, up 9.2%; NBC-TV, $23,923,463 vs. $21,899,207, up 9.2%. For year's first 4 months, total billings were $272,888,865, up 5.8% from $257,948,482 in same 1962 period. In April, biggest gains were shown in weekday daytime billings, up 24.6%. For first 4 months, Sat.-Sun. daytime was biggest gainer, up 30.6% over same 1962 period.

You can advertise in Russia, apparently, though you can't sell your product there. Visitors to recent Stockholm international TV conference picked up brochure which starts: "What do you know about the possibilities of advertising your client's goods on the vast market of the Soviet Union?" It reports that TV-radio time may be purchased, as well as space in 6 million copies of technical journals, 2.5 million copies of newspapers. Queries are directed to: "Vneshtorgizdat, Orujeiny per., 25a, Moscow, USSR."

FCC is being besieged by groups, such as equipment manufacturers, which seek to use Commission's forthcoming computer system for many projects—estimating markets, etc. But FCC policy, under Exec. Dir. Curtis Plummer, is to shunt aside temporarily virtually all requests —concentrating on setting up system to speed its own processing procedures.

Add broadcasters into CATV: Robert W. Rounsaville applies for franchise in hometown of Rome, Ga., will apply for 2-3 more in Southeast. He owns 6 radio stations: WFUN Miami, WTMP Tampa, WVOL Nashville, WYLD New Orleans, WLOU Louisville, WCIN Cincinnati. He also holds grant for WATL-TV (Ch. 36) Atlanta, now off air, is selling CP for WTAM-TV (Ch. 41) Louisville to Producers Inc.

CATV in Conn. has go-ahead with recent signing of bill by Gov. Dempsey, giving PUC power to require utilities to lease pole space to groups with CATV franchises. Triangle Publications is an applicant for New Haven, where it operates WNHC-TV.

TV blackout of pro football games was attacked last week by WPSD-TV Paducah & Kentucky Congressman. Station wrote FCC that CBS & the National Football League refuse to let it carry any NFL games on days when St. Louis Cardinals are home, even though WPSD-TV's transmitter is 114 miles from St. Louis. WPSD-TV charged that blackout standard of 75 miles from game city hasn't been adhered to by CBS-NFL, that WPSD-TV has been deprived because its Grade B contour extends to within 35 miles of St. Louis. Rep. Stubblefield (D-Ky.) introduced bill (HR-7365) which, he said, would clarify 1961 anti-trust exemption legislation, specifically banning TV blackout of more than 75 miles from home city for any pro sport.

"Town Meeting of the World," CBS's unusual Telstar II project July 10, will feature instantaneous country-to-country switching for first time. Participants: Eisenhower from Denver, Eden from London, Monnet from Brussels, von Brentano from Cologne. Participants, as well as members of audiences in Denver & London, will ask questions back-&-forth. Program will be carried live 12:15-1:20 p.m., repeated via tape 7:30-8:30.

FCC Chmn. Henry was to appear on ABC-TV's *Issues & Answers* July 7, having taped interview July 3. His next speech is Aug. 14, Chicago, before communications subcommittee of American Bar Assn., devoted primarily to space, common carrier, etc. After speech, he plans 2 weeks in Memphis hometown. He also has Nov. 20 speech scheduled for NAEB Milwaukee convention.

News cribbing from local newspaper without authority is a "violation of a property right." So ruled Pennsylvania Supreme Court last week in case involving *Pottstown Mercury* & radio WPAZ. Station had argued that there is no property right in news, but court held in unanimous decision that there are expertise & resources involved in developing local news.

Switch from Ch. 10 to Ch. 23, by KERO-TV Bakersfield, Cal., under FCC order, was scheduled for July 1. Operation on both channels for 2 months is planned. Station is using GE equipment, delivering 1.76 megawatts, 3,700 ft. above average terrain, from Mt. Breckenridge.

Interest in trade publications *Radio-TV Daily* & *Film Daily* has been bought by sportscaster-promoter Harry Wismer, who becomes assoc. publisher & exec. vp. Extent of interest wasn't disclosed.

H & B American Corp., CATV system operator, has application pending before FCC to buy stock in Communications Satellite Corp. It speaks of possibility, someday, of using satellite signals to feed CATV.

Deadline for start of Denver pay-TV over KCTO has been extended by FCC from July 3 to Oct. 3, at station's request. Station told Commission it has about 800 subscribers lined up, plus sources of programming.

QXR Network, acquired in April 1962 from *N.Y. Times* by Novo Bcstg., now has 36 radio affiliates in top 50 markets with addition of 6 new affiliates last week.

Short-spaced adjacent-channel move of KATU (Ch. 2) to Portland, Ore., has been granted by FCC which denied AMST opposition—Comrs. Bartley & Lee dissenting.

Grey Public Relations Inc. is new subsidiary of Grey Advertising Inc.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington 6, D. C.
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director
CHARLES SINCLAIR, Contributing Editor

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

TELEVISION DIGEST. Published Mondays. Services: $75-$150 annually. For group rates & other subscription services, write Headquarters.

TELEVISION FACTBOOK Published Annually
TV & AM-FM ADDENDA Published Saturdays
AM-FM DIRECTORY Published Annually

Personals

Ernest Lee Jahncke, NBC standards & practices vp, takes over as Broadcast Pioneers pres. . . . **Edward P. Lawless,** ex-*Readers Digest*, appointed exec. vp, TvB of Canada.

Bernard S. Krause, CBS-TV business affairs dir., will also supervise new business affairs-sales, handling new consolidated contract negotiations; **Richard N. Burns** & **Anthony G. O'Malley** promoted to asst. dirs., business affairs-sales.

William Muldoon promoted to commitment admin., NBC-TV participating program sales . . . **Leonard Allen,** NBC News mgr., promoted to operations dir., Washington.

John F. Box Jr., WIL St. Louis exec. vp & gen. mgr., named chmn., NAB Radio Public Relations Committee . . . **Eugene B. Dodson,** WTVT Tampa vp & gen. mgr., elected Florida Assn. of Bcstrs. pres.

Richard B. Hull, Ohio State U. telecommunications dir., elected chmn., Ohio ETV Network Commission . . . **Arnold Rabin,** ex-NBC producer-writer, appointed special projects admin., ETV WNDT N.Y.

Charles R. Kinney, PGW vp, transfers to Los Angeles as West Coast vp . . . **Peter R. Allen,** Blair Radio sales exec., N.Y., promoted to Detroit mgr.

Albert L. Harmon promoted to WTTG Washington chief engineer.

Walter B. McQuillan promoted by RAB to new post of sales administration mgr., coordinating all sales operations dealing with national accounts.

Merryle S. (Bud) Rukeyser Jr. promoted to NBC dir., press & publicity, succeeding Ellis O. Moore, resigned.

William B. Peavey promoted to eastern TV sales mgr., Adam Young; **John M. Slocum** succeeds him as West Coast operations mgr.; **Earl W. Steil** appointed Chicago radio mgr.

Lee Goodman, ex-Filmways exec. vp, appointed Sarra vp in charge of production . . . **James G. (Greg) Jackson,** ex-asst. to Idaho Gov. Robert Smylie, named news dir., KTVB Boise.

Al Petgen promoted by ARB to newly-created client relations dir. for station groups & reps, continues as N.Y. station services mgr.; **Roger Hoeck,** account exec., succeeds Petgen as eastern regional mgr., station services.

Ellis Shook, WTTG Washington production mgr., named chapter pres., Academy of TV Arts & Sciences.

Law firm of Molnar & Gammon formed by Lorie M. Molnar & James A. Gammon, 300-305 Edmonds Bldg., Washington 5; phone: 783-6822.

Consulting engineers John H. Mulaney & Assoc., div. of Multronics Inc., move to Multronics Bldg., Rockville, Md.; phone: 427-4666.

Obituary

Arthur Simon, 59, vp & adv. mgr., *Radio-TV Daily*, died July 1 of heart attack in his office. With the publication since 1954, he was former N.Y. chapter pres. of Broadcast Pioneers, current pres. of BP affiliate Broadcasters Foundation Inc. He is survived by wife & daughter.

Fastest gun in the West & nakedest city in the East are causing anxiety problems among youth of Australia. In study of American imports for Australian Bcstg. Board of Control, researcher David Martin said anxiety caused by unpredictable endings or close identification with a situation was greater problem than overt violence. He recommended, according to Reuters report, increase in variety & quality in children's programming. "What is at issue are bad or good films, rather than bad or good scenes," he said.

Uhf broadcasting in Mexico will be color only, govt. announced in awarding first uhf grant (XHTO-TV Mexico City). Mexico has not yet established color standards, but engineer Guillermo Gonzalez Camarena has been demonstrating his own 2-color system with low-cost color receivers nightly over his XHGC-TV Mexico City.

Ghana Bcstg. has contracted with Marconi for manufacture & installation of TV & sound equipment valued at nearly $8.4 million: TV stations at Accra, Kumasi, Sekondi-Takoradi; TV studio complex at Accra; radio station at Ejura; microwave link between Accra, Kumasi, Ejura.

NBC's interest in Ch. 9 Buenos Aires—over 25%—has been sold to other stockholders; major owner is Dr. Ildefonso Recalde, an economist. Ch. 13 there is owned by CBS, Time-Life and Goar Mestre (ex-Cuban broadcaster).

RCA broadcast antenna engineering, lab & assembly facilities, formerly housed in 3 locations, will be consolidated at 40-acre Gibbsboro, N.J. test site, where new building will be erected.

Radio New York Worldwide (WRUL), international shortwave station, names Edward Petry & Co. rep.

Singapore's new TV station is now in pilot programming, using Marconi equipment.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

RCA STANDS PAT ON PRESENT COLOR TUBE: Still convinced no other approach can now provide the quality & reliability of its 70-degree round 21-in. color tube, RCA has notified TV manufacturers that it "does not now plan to introduce a new color picture tube in the near future."

Don't try to read too much into this message, which was sent to all set makers by telegram June 28. It doesn't mean that RCA will or will not skip the 90-degree round picture tube and eventually move directly into 25-in. 90-degree rectangular production. It was designed to take a load off set makers' minds, to guide them in their planning.

It was form of progress report. Last Nov. 30, you'll recall, RCA shelved its 90-degree round tube for "approximately 9 to 15 months." With the 9-month inner limit rapidly approaching, RCA sought to give them word on its plans so they could design color chassis, plan production lines, sign off engineering on new sets. RCA considers its report "a necessary commercial requirement" and says timing the same week as Motorola's introduction of 23-in. color set (Vol. 3:26 p7) was "coincidental."

Text of telegram: "In Nov. 1962, the RCA Electron Tube Div. sent you a telegram informing you that the introduction of a 90-degree round picture tube would be deferred for approximately 9-15 months. Since that notification, we have continued extensive product-development work on color picture tubes. RCA does not now plan to introduce a new color picture tube in the near future and is continuing to produce the highly reliable and excellent quality 70-degree round color picture tube. You may be assured that if changes occur in our product plan, we will continue to consider your planning need with regard to set design & tooling, and will inform you in advance to assist you in your planning. Your support of our color picture tube program is sincerely appreciated."

• • • •

Important source of picture-tube yokes for RCA-type 21-in. color tubes has resumed production. General Instrument Corp.'s F. W. Sickles Div. has again started shipping color yokes. In recent years, RCA had been sole source. Sickles has also designed & demonstrated new color yoke design for 90-degree tubes which "eliminates the electronic circuits heretofore necessary to correct raster shape, with resultant savings."

General Instrument Vice Chmn. Monte Cohen took issue last week with our statement that Advance Ross Electronics (which makes yokes for Motorola's 23-in. sets) was first company, aside from RCA, to produce color yokes. We were talking about recent color history, but should have remembered that, as Cohen told us: "The F. W. Sickles Division was in actual production of color yokes from 1954 to 1957, when a steady growth of color was anticipated. Tens of thousands of color yokes made by the Sickles Div. were shipped to RCA, Philco, GE, Westinghouse & CBS."

OBSERVATIONS ON 'WARRANTY WAR': "Today marketing is on a guarantee binge," notes a leading advertising & marketing authority, which sees dangerous pitfalls ahead in use of warranties as competitive weapon.

In view of warranty pandemonium prevailing in consumer electronics industry (Vol. 3:19 p7), these comments might appropriately illustrate one side in current dispute. They are expressed in "Grey Matter," the advertising & marketing newsletter published by Grey Advertising Inc.

The change of warranty's status from an assurance of integrity to a competitive tool, says the newsletter, "poses dangers to which marketers must be alert." It traces history of guarantee from relationship

between retailer & consumer to a responsibility taken over by manufacturer, but with involvement of retailer and repair station as well.

"The principal danger in this 'warranty war' is its effect on the consumer. Unfortunately, advertising is often used to lead the public to expect too much from the promised guarantee; much more than either the manufacturer or the retailer can deliver," says "Grey Matter". "This danger must be avoided if the guarantee is to maintain its value as a builder of faith in a brand and as an added buying incentive.

"There is a danger, too, of increasing fear among retailers that the consumer will hold them responsible for failure to make good on guarantees advertised by the brand manufacturer. Recent court decisions also have been placing more of the onus of warranties on the manufacturer's shoulders . . .

"The trend has been for courts to regard labels, printed matter & advertising as express & implied warranties of quality by the manufacturer. Advertisers must keep this clearly in mind when planning to use the guarantee as a selling tool."

Virtues of guarantee as marketing & advertising tool are acknowledged: Strengthening of brand image, stimulant to sales. But Grey warns of these pitfalls: Competitive edge is often temporary, "for it becomes dulled when competitors come up with stronger & longer guarantees." When strong competition forces company to stretch guarantee "to point of disbelief, or lace it with evasions & loopholes, it may tarnish the brand name to a degree that no amount of advertising can overcome."

We print these views because of their potential applicability to practices in consumer electronics industry. We'd like to hear other views & comments on subject, and will give them "equal space."

SHALLOW SEES DISTRIBUTION UPHEAVAL: "The day of the independent distributor was through 3 to 5 years ago and a radical change in distribution will evolve over the next 5," in the opinion of James J. Shallow, former Magnavox (Vol. 3:25 p11), Columbia Phonographs & Philco executive, who has re-established himself as a management & marketing consultant.

"Big problem in our industry today is that each of 20 different companies is trying to do 15% of the business," he told us at his suburban Philadelphia home & hq (125 Farwood Rd., Phila. 51.). "This wild fight for business puts tremendous pressure on distributors, and the mortality rate of independent distributors in the past 5 years has been appalling."

Emphasizing that "we are now in the era of the large group buyer," Shallow amplified: "Some 10% of the retailers today account for 70-75% of total volume. As a result, the average distributor in big markets now acts pretty much like a broker for the manufacturer, with a 2-5% override on sales. The average distributor today isn't showing much better than a 2% net profit. He'd do better putting his money in bonds. Why should he risk capital for that kind of return?"

With cost of sales & distribution rising sharply, and the bulk buys by group buyers increasing, trend among manufacturers has been to trim independent distributors in favor of more branches or direct relationship with dealers. Philco, for example, has been pruning distributors and in recent weeks has replaced independents with branches in N.Y., Philadelphia & Newark (John M. Otter Companies) and Pittsburgh (J. E. Miller Co.). Sylvania has been dropping branches for franchised dealers (Vol. 2:24 p12), now retails upwards of 40% of volume via direct-to-dealer outlets (Vol. 3:24 p10).

"The consumer electronics industry today is in the same phase that automobile manufacturers were in the 1930s," Shallow told us. "Only the strong will survive. Today's TV-radio-phono-hi-fi business is a $3 billion retail volume—but produces only a 1.5-2% net profit. This provides no base whatever for profit, growth and expansion for all participants. There's going to be a shakeout. A big question is how can manufacturers afford distributors. Another question is how can distributors stay in business. The only independent distributors making money these days are those with companies able to demand a profit margin for dealers."

Shallow believes that Magnavox's approach of direct relationship with dealers is answer to industry's distribution problems. "All dealers want to give in to the temptation to cut prices," he said, "but you've got to be able to force them to make a profit." Shallow believes that "salvation at the retail level lies in Fair Trade." He added: "It takes courage for a manufacturer to Fair Trade today. Many are trying to ride 2 horses—the

volume buyer and the small independent retailer. The manufacturer needs his independent retailers and he's got to see that they make a profit so that they can pay their bills. He can't afford to let too much of his volume fall into the hands of a few volume accounts. He'll get murdered."

Private brands represent another major problem complicating industry sales & distribution, Shallow emphasized. "When you say private label today," he told us, "you're no longer speaking about a few outlets. You're speaking about private national brands with hundreds and even thousands of outlets. For example, Sears Roebuck, in my estimation, does 15% of the national TV business with its private brand. That's a major piece of the business. How about the other big chains, like Montgomery Ward, that already are in private label, and newcomers to private label, like J. C. Penney? When you talk of 6 million annual TV set sales today, you first must subtract the 20-25% unit sales taken by private label outlets. That leaves only some 4.5 million set sales for the brand people. Brand names always will be important—but private labels will become increasingly important."

Shallow summed up market situation this way: "Manufacturers have got to face up to these problems within the next few years." However the distribution pattern changes, "there must be profit in the line so that the retailer can pay his bills and make some money."

Shallow's views are interesting & in many cases controversial, and likely will provoke rebuttal from various quarters. We'll be happy to publish your views in forthcoming issues.

• • • •

Former Philco independent distributor John Otter has formed John M. Otter Group (120 E. 23rd St., N.Y. 10) to provide "total marketing service including sales, advertising, merchandising." According to ad in June 30 "N.Y. Times", "unique marketing organization provides professional sales, marketing management analysis, consultation, plus experienced sales management & salesmen." Group is based in N.Y., but Otter told us outlets will be established elsewhere as need develops. He plans to cover all fields, won't be limited to consumer electronics.

TV-RADIO PRODUCTION: EIA statistics for week ended June 28 (26th week of 1963):

	June 22-28	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV.....	156,843	142,777	136,463	3,461,268	3,295,501
Total radio	369,357	339,268	361,895	8,618,008	9,264,445
Auto radio	137,092	151,762	136,649	3,787,328	3,271,477

RCA home instrument dollar volume set all-time record during first-half 1963, led by color-TV sales which had best month in history in June. Total first-half sales were 19% greater than all-time high set a year ago, Group Exec. Vp W. Walter Watts announced last week. In dollar volume, color TV sales for June were 170% ahead of June 1962 and 48% ahead of previous best month, Sept. 1962; total home instrument sales were 46% ahead of June 1962 and 20% ahead of previous record Sept. 1962. RCA Sales Corp. Pres. Raymond W. Saxon said color set production at Bloomington is committed through Labor Day, distributor orders for color sets are nearly double those of last year, and 2nd-half orders for b&w are 15% ahead of 1962 period.

Retailers injured by competitors selling at unreasonably low prices would be able to sue them under new bill (S-1815) sponsored by Sen. Humphrey (D-Minn.). Bill, referred to Senate Judiciary Committee, would grant anti-trust status to Sec. 3 of Robinson-Patman Act, empower Justice Dept. to initiate civil suits, enable private parties to institute treble-damage suits following successful govt. anti-trust prosecution.

"Color adapter," to convert black-&-white receiver to color, is claimed to be under development by Scope Inc., 121 Fallfax Drive, Falls Church, Va. William Schaub, dir. of administration, tells us company isn't ready to release details. However, he said device "has moving parts, but not a rotating disc." He said that results are good "but we don't claim the same quality as with regular color sets." Device is still under development, he added, "and we haven't decided whether it should be 2-color or 3-color." Patent applications are pending, Schaub said, and goal is to license others to make adapter, which is intended to sell for less than $100. Company is primarily in defense electronics. There was rash of converters in color's early days, virtually all using disc, none achieving adequate results (Vol. 11:22, 42, 52).

Beckman Instruments has established direct sales marketing organization of 48 offices & 200 men to handle some $20 million in annual sales previously made through dealers. Direct sales organization is expected to cut earnings by 15% this year because of start-up expenses, add $12.5 million net profit over 5 years. Beckman earned $4.8 million on $74.8 million sales in 1962 fiscal year.

TUNNEL DIODE FOR UHF: First use of tunnel diode in a consumer product will be announced by Sony at Music Show in Chicago July 21-25 when it opens sale of uhf adaptor for its 5½-in. transistorized Micro TV.

Tiny adaptor, which plugs into side of set, has vertical slide-rule dial, uses 3 transistors & tunnel diode. It will be sold, complete with tunable uhf antenna & carrying case, for $49.95.

Tunnel diode was invented by Japanese scientist Leo Esaki when he was working for Sony. It created flurry of hopeful excitement as superior substitute for transistor in TV & FM sets in 1959, when GE was working hard on tunnel-diode approach (Vol. 15:30 p16 et seq.). But no tunnel-diode consumer devices were actually put on market, to our knowledge—until Sony's uhf adaptor. Sony's next use of tunnel diode may be in FM sets, where a single one could conceivably perform functions of RF amplifier, local oscillator, mixer & first IF amplifier simultaneously.

Sony's perfection of the tunnel diode uhf tuner was revealed to us by Akio Morita, pres. of Sony Corp. of America and exec. vp of the Japanese parent company, in interview during which he gave us some glimpses of Sony's future in U.S.

The 5½-in. transistorized Micro TV has been highly successful in U.S. at present price of $189.95 (excluding battery), he said. Are further price reductions in the works? Sales at current price are high, said Morita. "Ultimately there's no reason why the price couldn't go down," he added, pointing out that Japanese TV industry already is feeling beneficial effects of removal of 25% sales tax on domestic TV sales.

Morita felt GE's & Admiral's 11-in. tinyvision at $99.95 would have little effect on Sony's sales, since transistor TV is different category. More than 50% of Sony's sets are sold with battery, he said.

Will Sony add other TV models to its line? Morita speculated that with expansion of number of Sony dealers, "we will eventually have to expand our line. But we will always specialize in transistor TV. If we go into large-size sets, we're just another manufacturer."

Sony plant in Japan currently is producing Micro TV at rate of 1,000 a day, he said, of which about 75% are exported. After the U.S., Sony's biggest foreign markets for TV are Germany & Italy.

Asked about Paramount's Chromatron color tube, to which Sony owns foreign rights, Morita said, with a smile: "All those rumors you hear are not true. It still needs plenty of time. The tube has never been produced in a factory; we must develop it from scratch. We haven't decided yet whether our color set should use transistors or tubes, or what size it will be."

Sony will begin U.S. deliveries of its portable videotape recorder ($10,900) this month. As with its other products, Sony will try to create new markets for this tape recorder, rather than concentrate on proven ones. Among those suggested as possibilities by Morita: Racetracks, railroads, X-ray recording use in hospitals. Sony will not devote much effort to selling the recorder to broadcasters. "In the broadcast field, they want too many modifications. We'd have to raise the price. Our policy is always to do what we did when we introduced the transistor radio—to create our own market."

Mathes color at $399.95: Curtis Mathes entered color TV market with huge line of 29 sets, starting with wood veneer table model at $399.95, with 9 consoles $429.95-$629.95 and 19 combos $559.95-$1,250.

Most color console & combination cabinets are also available with 23-in. b&w chassis. Mathes guarantees these sets to be "color convertible"—that is, any time between one & 4 years from date of purchase, Mathes will exchange b&w chassis for color at total cost of "no more than if the unit had been purchased as a color receiver in the beginning." The 23-in. color-convertible sets are priced $220-$300 less than their color-now counterparts.

Mathes also announced it will have 2 separate lines—low-price & higher-price—with separate dealer franchises for each. Only dealers who handle no other brands will be franchised for both low- & high-priced lines, although other dealers can handle one or the other.

Mathes b&w line, as shown last week in Dallas, has three 23-in. consoles at $179.95-$209.95 and 4 combos at $199.95-$329.95. Portable TVs will be introduced in 3-4 months. Company also introduced 6 stereo consoles with AM-FM at $159.95-$279.95.

On heels of Pilot's disclosure last week that it may enter color-TV combo field this year, another phono console maker said it will add color stereo theaters next year. It is Crestmark Div. of Vanity Fair Electronics Corp., Syosset, N.Y. Vanity Fair introduces its first Crestmark console line at Music Show in Chicago later this month. Sales vp is Seymour Mintz.

—■—

Declining prices of picture tubes are shown in EIA's tally of factory sales for April. Although unit sales increased to 771,073 from 758,539 in April 1962, dollar volume for the month shrunk to $14,197,385 from $14,253,425 year earlier. Receiving tube sales again declined from year-ago levels, to 26,167,000 units at $21,521,000 from 31,016,000 at $25,838,000 in April 1962. EIA's tube sales figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	890,246	$16,846,046	27,025,000	$22,524,000
February	636,392	11,990,596	26,382,000	22,354,000
March	760,524	14,223,503	30,285,000	25,643,000
April	771,073	14,197,385	26,167,000	21,521,000
Jan.-Apr. 1963	3,058,235	$57,257,530	110,193,000	$92,344,000
Jan.-Apr. 1962	3,112,100	$59,403,191	123,513,000	$104,253,000

Ghost of TV's distant past—The Kaye-Halbert brand, once a large-selling set in Southern Cal.—has been acquired by White Front Stores, Los Angeles-based discount chain, for use on private-label TV, radios & phonos. Kaye-Halbert Corp. was active in TV production in early 1950's, was dissolved in bankruptcy proceedings late in 1955 (Vol. 11:49 p14).

Round-corner picture tubes don't die (continued): Two additions to our list of manufacturers using older sizes of rectangular pictures tubes (Vol. 3:26 p9) have come to our attention. GE still has 21-in. table model in its line, at $209.95. Muntz is offering both 24- & 27-in. sets.

Electronic Specialty, Los Angeles maker of microwave components & antenna systems, other electronic equipment, has been listed for trading on N.Y. Stock Exchange. Symbol: ELS.

TV RECORDER AT $160? U.S. consumer electronics industry was puzzled last week by intriguing report that British firm was ready to commercialize home video-tape recorder which could be sold at about $160 retail, or, if built into a TV set, would add only about 25% to retail price.

Few details were available on either side of Atlantic beyond publicity announcement. System was demonstrated July 3 on NBC-TV's *Today* show (via tape from England), but it was impossible to determine quality of recorded picture because of difference between British & U.S. TV transmission standards. We could locate no U.S. sources familiar with development. Even IIT Research Institute's Marvin Camras, nation's leading magnetic recording expert, had no direct knowledge of new British recorder.

Recorder is called Telcan and is to be manufactured by Telcan Ltd. (Main St., East Bridgeford, Nottinghamshire, England), whose chief officer is Chmn. Brian North. Telcan is said to be affiliated with Nottingham Electronic Valve Co.

New recorder appears to operate on principle first pursued by early developers of video-tape recording in U.S.—speeding up a conventional audio recorder to permit storage of greater bandwidth. But its proponents claim resolution of 300 lines, which, if claim is accurate, would indicate they have added other principles.

Recorder uses standard quarter-inch sound tape, run at 120 inches per sec., records 2 tracks. It thus can record about 30 minutes on 10½-in. reel using both tracks (turning tape over or reversing direction after 15 minutes). It can also accommodate 11-in. reel, giving 40-min. playing time. Signal-to-noise ratio is said to be 28 db. It can be used as conventional sound recorder at 7½-ips speed. Recorder measures 17-in. long by 9-in. wide by 2-in. deep, with 4-in. protrusion for motor housing.

Recording expert Camras told us that any standard audio recorder with tape speed increased to 120 ips could record rudimentary TV picture, but its resolution would be more on order of 100 lines than 300. He speculated that special high-definition recording head may help increase resolution.

RCA, which has been working on development of home video-tape recording, is known also to have used fast-tape approach in its experimental work, but there's no indication that RCA has come up with what it considers to be a commercial product. (One disadvantage of fast-tape approach is high cost of operation due to heavy consumption of tape—although tape can be erased and used over.)

Telcan officials state their home video recorder will be placed on British consumer market before Christmas and that they are negotiating with U.S. manufacturers for licensing agreements.

APRIL PHONO SALES UP: Sales of phonographs continued to run substantially ahead of 1962 in April, according to EIA figures released last week.

At distributor level, sales were 22% higher than April 1962, and 4-month sales ran more than 29% ahead of same 1962 period. Factory sales were 32% ahead for April, 20% ahead for first 4 months, as compared with corresponding 1962 periods. Here are phono sales figures (EIA no longer compiles separate stereo & mono data):

PHONOGRAPH SALES

	Distributor		Factory	
Month	1963	1962	1963	1962
January	316,525	219,728	341,696	259,559
February	329,972	239,420	340,275	255,412
March	346,152	299,257	329,713	298,483
April	247,730	201,192	241,206	183,102
TOTAL	1,239,379	959,597	1,252,890	1,043,010

Trade Personals

C. J. (Red) Gentry appointed Motorola national home radio sales mgr., taking over part of duties formerly handled by **William E. Laswell,** who continues as national stereo phono sales mgr.; **Thomas Carroll** succeeds Gentry as national car radio sales mgr.

Chester Paulson, ex-Westinghouse portable appliance marketing mgr., named marketing vp, North American Philips consumer goods div.

Robert Devore resigns as EIA PR dir., planning to return to journalism; **William Hepner** is acting dir.

E. V. Huggins resigns as Westinghouse associated activities exec. vp & dir., will continue as senior consultant "in areas where his experience will be of value." He was 1958-61 exec. committee chairman.

Charles E. Beck, Philco pres., elected to Board of Managers of Philadelphia's Franklin Institute . . . **E. MacKay Fraser** elected Lab for Electronics secy.

Clarence H. Linder, retired GE vp & former American Institute of Electrical Engineers pres., nominated for presidency of IEEE to succeed **Dr. Ernst Weber,** whose term expires in Jan.

Dr. Leonard C. Maier Jr. appointed GE Semiconductor Products Div. gen. mgr. . . . **Thomas P. Cheatham Jr.** elected Litton Industries corporate vp . . . **Doane R. Gero,** former Information Systems chmn.-pres., joins Emerson Electric, St. Louis, as pres. of Industrial Electronics Div.

Herbert L. Brown appointed vp of Ampex subsidiary Ampex International . . . **Leon Kuby** promoted to sales mgr. of Harman-Kardon's High Fidelity Div.

Obituary

Omer M. Glunt, 79, TV & radar pioneer and retired Bell Telephone executive, died June 27 at his Stockton, N.J. home. In 1927, he supervised Bell engineers who produced world's first TV broadcast. He also worked on development of radio broadcast transmitters & sound motion pictures. He was director of Bell's Whippany, N.J. facility when he retired in 1949. He's survived by his brother, 2 daughters & son.

George Partington, 47, Marconi broadcasting div. chief engineer, died June 13 in England. A noted inventor, he had been with Marconi since 1938, helped develop improved TV cameras & use of 4½-in. image orthicon tube.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
AT&T	1963—year to May 31	$9,198,283,000	—	$1,413,835,000	$5.83	242,641,000
	1962—year to May 31	8,673,152,000	—	1,332,774,000	5.65	235,887,000
	1963—qtr. to May 31	2,377,973,000	—	363,656,000[1]	1.49	243,611,000
	1962—qtr. to May 31	2,242,430,000	—	346,857,000	1.47	236,160,000
Ampex	1963—year to Apr. 27[2]	93,271,000[1]	—	5,005,000[1]	.64	7,803,000
	1962—year to Apr. 27	84,106,000	—	2,203,000[3]	.41	7,786,457
Corning Glass	1963—24 wks. to June 16	130,754,107[1]	$ 26,964,647	14,343,647[1]	2.10	6,791,885
	1962—24 wks. to June 17	118,904,523	24,793,015	13,528,015	1.98	6,789,000
A. C. Nielsen	1963—9 mo. to May 31	33,448,783	—	2,299,165	1.34	1,710,000
Story below	1962—9 mo. to May 31	29,575,945	—	2,124,529	1.24	1,710,000
Pacific Industries	1963—9 mo. to May 31	21,291,697	—	(210,358)[4]	—	1,887,239
	1962—9 mo. to May 31	17,784,684	—	606,091	.32	1,887,239

Notes: [1] Record. [2] Preliminary. [3] Includes $470,000 gains from sales of fixed assets & equipment leases. [4] Before $478,326 net capital gain from 2 property sales & resultant $267,968 net earnings for period.

Sylvania Controller Roy E. Drew was killed, Pres. Gene K. Beare and 2 other Sylvania and GT&E officials injured in July 2 crash of Mohawk Airlines plane as it was taking off at Rochester, N.Y. airport for White Plains, N.Y. & Newark, N.J. Six others in plane were killed and total of 36 injured. Beare suffered broken collarbone and leg. David K. Elwell, Sylvania dir. of new-product planning, lost a leg. Dr. Lee L. Davenport, Pres. of GT&E Labs, who walked away from crash, later was hospitalized, and discharged July 3. Beare & Elwell are in Strong Memorial Hospital, Rochester. Drew, 47, had returned to Sylvania last Jan. from Plax Corp., Hartford, Conn., where he was controller & asst. treas. He previously had been with Sylvania for 20 years. He is survived by his wife, mother and one daughter. The 4 executives were returning to their homes in N.Y. area from new-product planning meeting in Batavia.

General Instrument foresees record sales & increased earnings in 1964's first fiscal quarter ended May 31. In year-earlier quarter, GI earned $202,000 on $21.2 million sales. Chmn. Martin H. Benedek described first-quarter performance as turnabout from 1963 fiscal year, ended Feb. 28, which produced loss of $2.7 million. Among optimistic factors for new fiscal year, he said, GI's Semiconductor Products Group is now marketing "highly advanced products which should have a favorable effect on our semiconductor sales & profits." He also expects tuner-making Sickles Div. to benefit from all-channel law.

A. C. Nielsen registered sharp gains in sales & earnings in the 9 months to May 31 (see financial table) and increased its quarterly dividend on common stock to 17½¢ from 15¢, payable Aug. 1 to stock of record July 12. Reporting profit rise to $2.3 million from $2.1 million on sales gain to $33.4 million from $29.6 million, Nielsen noted that recent Congressional investigation of TV-radio audience rating services "had no material effect on our progress for either the latest quarter or for the year to date."

Adler Electronics, currently traded over the counter, will apply for American Stock Exchange listing.

RCA's Camden-area plants were struck midnight July 1 by some 2,000 engineers in dispute over layoff formula, wages, other issues. Engineers are members of Assn. of Scientists & Professional Engineering Personnel, which claims some 500 engineers were fired in recent months without regard for union seniority system. Negotiations, under reopener clause in 3-year contract signed July 1, 1961, began early in May. After 2 hours of picketing, truce was declared when company & strikers agreed to recommendation of Federal Mediation & Conciliation Service that layoff-procedure issue be referred to study committee of 4 representatives each from RCA & union. No deadline was set for settlement of issue, but union said strike will be called if talks break down.

Mergers & acquisitions: Automatic Radio Mfg.'s New-Tronics subsidiary has acquired **Continental Electronics & Sound System** • **Electronic Communications** has purchased for cash virtually all assets of **Electronic Instruments for Research,** Baltimore • **Eric Electronics & Ionic Industries,** both Santa Monica, Cal., have merged and Irving Rossman, Ionic pres., is expected to become pres. of new firm. Eric maks hi-fi components, Ionic portable phonos.

Indictments on rebate charges were handed down by Federal grand jury in Boston against Joseph L. Travers, former pres. & treas. of Precision Microwave, and Raytheon purchasing agent Charles H. Pomfret. Former is charged with paying Pomfret $3,000 "as an inducement for award of subcontracts" to Norfolk Precision Machine Corp., also headed by Travers.

Industrial Electronic Hardware anticipates record earnings of "better than $50,000 or 7¢ a share" on $1.8 million sales in fiscal-1964's opening quarter ended June 30, reported Chmn. Bernard Offerman. This compares with year-earlier profit of $5,477, 1¢ a share, on $1.5 million sales.

Metromedia has sold $7.5 million of 5¾%, 15-year notes to institutional investors via Kuhn, Loeb & Co. and Carl M. Loeb, Rhoades & Co. Proceeds are being used to acquire KTTV Los Angeles.

NAB LIBRARY

WEEKLY **Television Digest**

with

Consumer Electronics . . . (starts page 7)

JULY 15, 1963 NEW SERIES, VOL. 3, No. 28

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

'TOWN MEETING' BRILLIANT SUCCESS, as CBS-Telstar features exchange among statesmen. France blocks European reception (p. 1).

EDITORIAL HEARINGS & ELECTION YEAR: House to hear week of testimony. FCC expected to affirm station's rights, will recommend primer on fairness doctrine. NAB to unveil new editorial guide (p. 1).

COMMERCIAL CEILING BATTLE QUICKENS: NAB sends ammunition in form of arguments to all stations; Georgia broadcasters call on their Congressmen, stimulating bill by Rep. Weltner (p. 2).

RATERS ENDORSE AUDIT PLAN: Virtually all rating firms give final approval to Rating Council measures. Nielsen not in yet, but is expected to back plan (p. 3).

FM-STEREO STATIONS now number 241 in U.S. & Canada, many stations increasing hours of stereocasting; 8 new U.S. stereo stations and 12 in Canada are listed (p. 3).

NAB REPORTS TV PROFITS BEST EVER, 16.9% on revenues of $1,016,700 for typical station in 1962. Radio up, too, 7.7% on typical revenues of $112,200 (p. 4).

CIGARETTE BAN ON YOUTH APPEAL: Tobacco Institute urges members not to sponsor programs directed primarily at youth (p. 5).

Consumer Electronics

TOP TV-RADIO-PHONO BRANDS in Latin American countries reported in survey; Philips virtually dominates area, but U.S. trade names show up strongly (p. 7).

COMPONENTS MAKERS SAG IN FIRST QUARTER as combined sales of 22 firms fall more than $3.9 million to $278 million from $281.9 million a year ago. Earnings tumble more than $2 million to $7.5 million; 16 of 22 manufacturers show profit decline (p. 8).

EUROPE TRENDS AWAY FROM 'FAIR TRADE' in wake of changing attitude toward competition & importance of more competitive markets, reports Chase Manhattan Bank; Motorola urges dealers to support Quality Stabilization legislation by writing Congressmen (p. 9).

IMPORTS UP, EXPORTS DOWN—that's TV story. Japanese exports of TV for 5 months tripled 1962 figure, totaled more than 4% of U.S. production; transistor TV shipments exceeded tube TV exports for first time in May; U.S. TV exports declined 28% in first quarter (p. 10).

LONG PHONO LINE introduced by Motorola, with new bass speaker baffle system, more coffee tables & benches; radio line includes clock radio with detachable pocket-radio unit (p. 11).

NEW HIGHS FOR RCA in sales & profit in 2nd quarter and first half; Sarnoff & Engstrom see progress 'through 1963 & beyond' (p. 12).

'TOWN MEETING' BRILLIANT SUCCESS: Famed "Stanton touch" was evident again last week, when the CBS president's "Town Meeting of the World"—via Telstar—drew widespread praise. Kudos would have been even more universal had the French not blacked out Europe by refusing use of its satellite reception facility. French sources said their decision was based on "controversial & political" aspects of program.

Intimacy & humanity of participants were conveyed by the live exchange in manner that film or tape never quite matches. It was a striking idea, strikingly executed, featuring as it did warm & frank exchange among: Eisenhower, Eden, Monnet & von Brentano—with CBS's Walter Cronkite as anchor man. CBS was tickled, naturally, and CBS News Pres. Richard Salant said similar "Town Meetings" would be carried quarterly, starting in fall. Producer Fred Friendly said he hopes to arrange similar exchange with Japan in Sept. or Oct., with Russia & Africa later.

EDITORIAL HEARINGS & ELECTION YEAR: With election year coming up, Congress this week is putting out a warning sign to broadcasters—editorials on candidates & issues are being watched. Warning takes form of week of hearings, starting today, on editorial practices & problems, conducted by Rep. Rogers (D-Tex.), chmn. of House Communications Subcommittee.

Hearings are "exploratory" & "fact-finding," Rogers told us. Subcommittee wants to examine how on-air stands are conducted, competence of editorialists, forms editorials can take (e.g., commentary, news interpretation). There's one pending bill (HR-7072), by Rep. Moss (D-Cal). It would: (1) Provide for equal opportunities to answer editorials for or against candidates. (2) Ban such editorials 2 days before election time. (3) Require stations to furnish copies of editorials to affected candidates within 5 days of broadcast date.

Rogers regards FCC Chmn. Henry as key witness because Commission has "crux of the responsibility." FCC is expected to endorse fully its 1949 editorializing report encouraging on-air stands, including endorsing or opposing candidates. It's understood Commission will state that editorials indicate a station's involvement in community interests & needs, help supplement dwindling number of newspaper voices. It also believes that "fairness doctrine" is practical & sound, is observed by most stations.

Commission is expected to recommend issuance of primer on fairness requirements, which could take form of rule-making. This would help spell out station responsibilities for itself & public. FCC also would like to learn more about fairness observance, through in-depth examination at renewal time on random basis.

On Moss's bill, FCC is understood to favor essence of equal opportunities but doesn't think legislation is necessary. It believes it can better handle matters by setting policy and judging problems on case-by-case basis. It also believes HR-7072 ignores fairness questions concerning general handling of controversies.

Here's list of scheduled witnesses: Mon.—Reps. Van Deerlin (D-Cal.), Hall (R-Mo.), Hemphill & Dorn (D-S.C.); Sherwood Gordon, radio KSDO San Diego; Tue.—Henry; Wed.—Dan Kops (WAVZ New Haven) as chmn., NAB editorializing committee; Robert Hurleigh, Mutual pres.; Thur.—Frank Stanton, CBS pres.; Don McGannon, Group W pres.; Fri.—Theodore Shaker, ABC-owned TV stations pres.; Harold Neal, ABC-owned radio stations pres. Rogers also plans hearings in Aug., if more licensees want to testify.

NBC isn't testifying, may send statement. Although it believes in station editorializing, its owned stations haven't done any yet. CBS-owned & most of ABC-owned stations do it. Group W stations are also very active editorialists on local & state issues only. Group believes that station management should do it, that it should be kept separate from news dept.

CBS is only TV network to editorialize. Stanton has done it 3 times: Oct. 15, 1950, color TV; Aug. 26, 1954, broadcast access to legislative hearings; July 26, 1959, supporting modification of equal time Sec. 315 of Communications Act. Mutual editorializes twice daily, carried by about 100 of its nearly-500 affiliates.

When Kops testifies for NAB, he will unveil revised edition of "Editorializing on the Air." It's divided into 2 main sections—guidelines & NAB interpretation of policy, covering what a station can & can't do in political editorials. NAB may have Pres. Collins testify next month, after his return from Europe.

COMMERCIAL CEILING BATTLE QUICKENS: Industry's stepped-up campaign against FCC's proposed limitations on commercials became more vigorous last week. NAB, under plan conceived by Pres. Collins, sent battle ammunition to all stations in form of arguments challenging Commission.

In covering letter dictated from London, Collins urged stations to discuss issue with Senators, Congressmen, civic & business leaders. NAB is seeking groundswell of opinion against proposed ceilings, hoping to convince FCC of "futility" & "inutility" of plan, as it was put by Paul Comstock, NAB govt. vp.

State assns. are getting into picture, too. Georgia broadcasters came to Washington to meet with Congressional delegation. They sparked interest of Rep. Weltner (D), who said he'd submit bill to block FCC. He didn't like proposed draft submitted by Washington attorney, believing it went too far.

Weltner told us he plans to submit his own bill in a few weeks. He believes FCC should be "restrained" from placing limitations on commercials. However, he does think extent of commercialization is a legitimate issue for FCC to consider in granting licenses & renewals. "We are working on the proper language that would accomplish both these objectives," he said. Senate action also is being sought.

All but 3 of Georgia Congressional delegation attended, including Sens. Russell & Talmadge. In addition to Weltner, Reps. Flynt (D) & Stephens (D) were also described as strong supporters of anti-limitations stand.

NAB has been very active in Congressional liaison, but doesn't believe that first step is introduction of bills. Among arguments against ceiling forwarded last week for broadcaster use, are these: (1) It's contrary to intent of Congress, would lead ultimately to govt. rate regulation. (2) Rule would be unequal & unfair because station & market situations vary greatly. (3) It would destroy free enterprise in broadcasting & cause great economic harm, especially to small-market stations. (4) Undermine voluntary Codes.

NAB's next step is to send letters & background material to all newspapers. Public Relations Service also has been steadily increasing liaison with civic & public service organizations.

Tennessee Assn. of Bcstrs. is meeting today (July 15) with its Congressional delegation. Three-man group, headed by F. C. Sowell (WLAC Nashville), legislative committee chmn., will stress commercial limitations plan & editorializing problems.

A "Federal Radio-Television Agency" to handle all broadcast matters was also proposed by the GAB at its meeting. It would have separate radio & TV administrators, a Broadcasting Court to handle controversial matters & a 3-man Advisory Committee to set policy.

RATERS ENDORSE AUDIT PLAN: Nearly all rating services gave Rating Council final endorsement last week for audit & standards plan—including ARB, Sindlinger, Pulse, Hooper. Nielsen is yet to be heard from, though it gave preliminary approval in May (Vol. 3:20 p3).

Nielsen's final OK is considered vital because of importance in network TV. Observers consider negative answer unlikely, but Nielsen is expected to express some reservations, suggest a few ideas for incorporation into NAB plan. Rater wants NAB to take stronger stand with stations on ratings' week "hypoing" & survey tampering; it also wants stations to encourage public cooperation in surveys through promotional spots (Vol. 3:26 p5).

Council's newly-formed executive committee meets in N.Y. July 19 to review progress of subcommittees on Criteria & Standards and Audit, plus other reports. Key topic of discussion will be outcome of July 18 meeting of NBC's Hugh Beville & NAB's Melvin Goldberg with RAB and Audits & Surveys Co., on radio methodology study. NAB appears steadily inclined toward co-partnership of A&S study as proposed by RAB.

Nielsen announced changes in network TV service: (1) It will expand demographic data to include age of child, children by income & occupation of household head. (2) New market-section ratings report will provide all demographic information 3 weeks sooner. (3) Daytime program ratings will be provided on a "program" basis in addition to "sponsor line-up" basis. (4) Ratings report will be flagged to call attention to reduced line-ups in cases of pre-emption. (5) Ratings will reflect addition of delayed broadcasts to live line-ups.

Nielsen insists these changes were brought about by client recommendations. Any changes reflecting Washington hearings—e.g., inclusion of Mountain Time Zone & complete rotation of sample every 5 years—will be proposed to clients shortly.

Former ratings investigator Rex Sparger, now a ratings consultant in Oklahoma City, was in N.Y. last week talking to Random House about book he & Robert Richardson, other investigator, are co-authoring. Richardson, incidentally, is expected to leave Harris Subcommittee by end of Aug. to run for Congress in Oklahoma's 6th district. He'll campaign in primary as Democrat for Rep. Wickersham's seat.

241 STATIONS BROADCASTING FM STEREO: FM-stereo station total is creeping toward that 250 mark. New starters have been few & far between this summer, but many stations already on air have been increasing total stereocasting hours.

Our count of 241 stations now broadcasting stereophonically includes 12 in Canada reported by Dept. of Transport as authorized for stereo multiplex broadcasting.

If you're keeping list of FM stereo markets, addition of these new U.S. stereo stations will serve to update our last published full list of May 20 (Vol. 3:20 p11):

Palm Beach, Fla., WWOS; Decatur, Ill., WSOY-FM; Mattoon, Ill., WLBH-FM; Richmond, Ind., WBKV-FM; Wichita, Kan., KWBB-FM; Detroit, WBFG; Philadelphia, WDVR; Columbia, S.C., WCOS-FM. N.Y. City will get new FM-stereo program source Aug. 25 when ABC's WABC-FM begins multiplex broadcasting.

Here is official list of Canadian stations authorized to broadcast stereophonically: CHFM-FM Calgary; CHQM-FM Vancouver; CJOB-FM Winnipeg; CFPL-FM London; CFMO-FM Ottawa; CHFI-FM & CKFM-FM Toronto; CFCF-FM & CJFM-FM Montreal; CHRC-FM Quebec; CHLT-FM Sherbrooke; CKVL-FM Verdun.

If you find it necessary to keep track of new FM-stereo markets as they open up, we suggest subscription to our AM-FM Addenda service along with your "Television Digest" newsletter. This lists new stereo starters weekly, from official FCC notifications. (Rates on request.)

NAB REPORTS TV PROFITS BEST EVER: TV & radio station profits both bounced back in 1962, according to annual analysis just issued by NAB's Dept. of Broadcast Management, under James H. Hulbert. (FCC's official 1962 TV figures aren't expected until late fall, because of losses in personnel and Congressional requests for political-time analyses, etc.)

"Typical" TV station—meaning "median"—had 16.9% profit before federal taxes, compared with 12.6% in 1961, 15.4% in 1960. It's highest yet. "Typical" radio station had 7.7% profit, vs. 4.8% in 1961, 7.6% in 1960.

Typical TV station had revenues of $1,016,700, expenses of $844,900, profit of $171,800. For radio, it was revenues of $111,200, expenses of $102,600, profit of $8,600.

TV income broke down to: $349,200 (32.8%) network; $409,800 (38.5%) national & regional spot; $305,500 (28.7%) local. Expenses were: $133,500 (15.8%) technical; $295,700 (35%) program; $109,800 (13%) selling; $305,900 (36.2%) general & administrative.

Radio income again showed "zero" for network. National & regional spot produced $17,100 (15.6%), local $92,300 (84.4%). Expenses: $10,500 (10.2%) technical; $32,900 (32.1%) program; $18,300 (17.8%) selling; $40,900 (39.9%) general & administrative.

Telecasters estimate 1963 revenues will rise 4.9%, while radio operators predict 2.8% increase.

Supplied to members, but not released for publication, are breakdowns by population and revenue ranges—enabling broadcasters to compare their performance with stations in similar situations.

Overhaul of Canada's Broadcasting Act, possibly involving complete reorganization of Board of Broadcast Governors (BBG), is expected after special investigating committee reports on study of current broadcasting statute, probably this fall. One recommendation expected by some Canadian broadcasters is for 5-member full-time BBG to replace present board, composed of 3 full-time members and 12 part-timers representing public. Controversy over Canadian broadcast regulation was heightened last month when Dept. of Transport rejected BBG's recommendation to issue AM-FM license for French-language station in Ottawa—first time in BBG's 5-year history that govt. had overturned one of its recommendations. Transport Ministry said license was rejected because govt. doubted ability of area to support 3 French stations. One private French-language station is now operating there, and CBC has been authorized to construct another one. One other BBG-approved AM license, for Winnipeg, is being held up by Dept. of Transport, and there are predictions it may get same treatment as Ottawa application.

Canadian uhf allocation plan, agreed to by U.S., has been issued by FCC. Commission hopes to issue its proposed expanded uhf plan, increasing assignments from about 1,500 to 1,950, before Aug. recess. Expanded plan is designed to take care of ETV needs and anticipated commercial demand. It won't be "saturated"—in sense that no more assignments could be made, but it will be tight as far as more desirable markets are concerned.

Better understanding, not better images, is what U.S. & Britain should seek, NAB Pres. LeRoy Collins stated in July 5 speech in England, at "Anglo-American Conference on Transatlantic Images." He said that mass communications, particularly broadcasting, should have "new vital role to play."

Three or more TV stations can be seen by 89% of U.S. families, according to recent study by ARB. It reports that 3% can get only one station, 4% 8-12 stations. The breakdown: one station, 3%; 2, 8%; 3, 26%; 4, 20%; 5, 15%; 6, 9%; 7, 15%; 8, 2%; 9, 1%; 10-12, 1%.

Czechoslovakia had 1,355,607 receivers as of last Dec. 1, according to communist bloc's International Radio & TV Organization (OIRT). OIRT also reports Bulgaria is doubling production this year and will introduce new "Kristall" set with "59 cm picture tube." Western Europe's EBU reports Greece plans 17 stations eventually, is inviting bids for 3 now—in Athens, Salonica & Patras—while new stations have started recently at Pforzheim, Germany, and Alesund, Norway.

Spanish-dubbed Japanese TV series *Samurai* sold by NBC International to: XHGC Mexico City, Television Interamerica for Caracas, RPC-TV Panama City. NBC says it's first Japanese show distributed in Latin America, anticipates sales in next 8 weeks in Peru, Argentina, Uruguay, Colombia, Central America, Puerto Rico.

Japanese TV broadcasters visited N.Y. offices of Avery-Knodel last week to study rep operation, were briefed on sales, research, promotion, market development. Francis Yoshimura, of Fuji Telecasting Co. N.Y. office, arranged visit for 6 TV executives.

Radio Television Belgrade & Masinimport of Bucharest have ordered Marconi mobile TV studios, containing 4 Mark IV camera channels. Belgrade ordered an additional camera for its studios, Bucharest 3 more.

Study of color TV facilities by Petry-represented stations shows 666,000 color-equipped homes in those 32 markets. Detailed questionnaire, worked out with 14 agency executives, will be forwarded to TvB for possible industry-wide compilation. Study showed virtually all stations are color-equipped for network, 17 for film, 4 for tape, 5 for local live.

Anti-drop-in filings may be submitted to FCC until July 18, Commission extending date for oppositions to petitions for reconsideration. Commission won't get back to them until Sept., following recess. Current impression is that oral argument will be ordered.

Cigarette Ban on Youth Appeal: Tobacco industry is gradually tightening advertising appeal to youth, including TV sponsorship. In meeting last week, Tobacco Institute urged members to: (1) Avoid sponsorship of TV-radio programs directed primarily at young audience. (2) Feature adults in TV & print ads. Last month, several companies quit advertising in college publications.

Persistent critic Sen. Neuberger (D-Ore.) called TI decision "pallid," said "it was motivated by a desire to head off govt. regulation." TI thus changed position since last May, when it recommended no action on appeal of Sen. Moss (D-Utah) for an end to youth-directed ads. TI Pres. George Allen last week said that industry believes smoking is for adults and that appeal to youth may be avoided by "good judgment, rather than arbitrary restriction of sponsorship."

Rep. Grabowski (D-Conn.) last week introduced HR-7476 to require label on cigarette packages to indicate health hazard.

—■—

Little creative contribution comes from TV stations, according to Ted Bates & Co. Senior Vp Richard A. R. Pinkham. Writing in July 8 *Broadcasting*, he says: "The actors act, the writers write, the producers organize, the agents represent, the networks gamble & sell, and what do the stations do? Anything more than provide air time and get paid for doing so? If so, I'd like to hear about it." (It's assumed he will so hear.) Pinkham suggests stations create fund to finance experimental programming, under big name such as Pat Weaver, Leland Hayward, David Merrick and "might come up with some winners and start making some money."

Measures to give FCC "greater discretion" in station sales were introduced last week by Rep. Harris (D-Ark.) (Vol. 3:27 p3). HR-7477 would give Commission chance to evaluate public interest questions of sale by allowing it to consider buyers other than those proposed by seller. HR-7478 would heed Comr. Bartley's recommendation, placing burden on sellers to prove that transfer will create "improved broadcast structure."

Anti-trust implications of newspaper-station joint ownership needs further study—particularly as TV broaden into uhf—according to Hofstra U. economics Prof. Harvey J. Levin. Writing in July issue of *Challenge*, published by NYU Institute of Economic Affairs, he suggests that Congress can take tougher attitude toward joint ownerships by pressuring Justice Dept., FTC & FCC.

Attack on pro football blackouts by NFL was pursued further by WPSD-TV Paducah when it filed anti-trust complaint against NFL. It told Justice Dept. that NFL has violated 1953 final anti-trust judgment against it by extending blackouts beyond those authorized by court. Station previously complained to FCC, got Rep. Stubblefield (D-Ky.) to introduce bill (Vol. 3:27 p5).

Los Angeles municipal station on Ch. 40 is proposed by Mayor Sam Yorty who asked FCC to reassign the channel from Riverside to Los Angeles. He said stations would be used "to provide authentic & official information on city govt. functions & operations to the citizens of the city."

Metromedia, recent purchaser of KTTV & KLAC Los Angeles, donates $250,000 to Community TV of Southern California, planning ETV station there.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington 6, D. C.
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

TELEVISION DIGEST. Published Mondays. Services: $75-$150 annually. For group rates & other subscription services, write Headquarters.

TELEVISION FACTBOOK Published Annually
TV & AM-FM ADDENDA Published Saturdays
AM-FM DIRECTORY Published Annually

Ancient 770-kc radio case went through another "final" FCC decision—latest in 21 years of litigation. FCC gave KOB Albuquerque a modification to operate with 50 kw & a night DA, denied WABC N.Y. a non-directional 50-kw renewal and invited it to submit night DA application. Said Commission: "ABC has not demonstrated that competition among the radio networks would be substantially lessened by the requirement that WABC directionalize nighttime." Courts have ruled on case 3 times, and ABC is expected to give it another opportunity.

Spot TV led all advertising media in first quarter gains, up 21%, according to *Printers' Ink* data prepared by McCann-Erickson. Network TV increased 6%, network radio was down 12%. Women's magazines were up 13%, general monthlies 9%, farm magazines 7%, business papers 5%. Newspapers were down 6%, weekly magazines 3%.

ARB adds 6 new agency subscribers: Doherty, Clifford, Steers & Shenfield; Fletcher, Richards, Calkins & Holden; Fuller & Smith & Ross; Ketchum, MacLeod & Grove; Morse International; J. Walter Thompson, Chicago. ARB now lists 36 of top 50 TV agencies, including all of top 10.

Technicolor Corp. plans expansion of TV film processing through major agreement with MCA, which will build processing lab near Universal City studio with capacity of $15 million worth a year. Technicolor will provide equipment & manpower, has 3-year contract from MCA to process its TV film.

Machtronics' video tape recorder, distributed by Storer Programs Inc. (Vol. 3:27 p4), sells for $15,750 in broadcast version. The $12,150 price reported was quoted for closed-circuit unit when introduced last spring.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
CTS Corp.	1963—6 mo. to June 30	$ 14,587,506	$ 2,097,014	$ 1,090,807	$ .74	1,482,003
	1962—6 mo. to June 30	13,673,321	2,085,191	1,034,820[4]	.70	1,482,003
	1963—qtr. to June 30	7,293,573	910,151	471,658	.32	1,482,003
	1962—qtr. to June 30	7,000,835	1,039,773	484,806[4]	.33	1,482,003
Electro-Voice	1963—qtr. to May 31	2,765,722	91,964	46,389	.09	497,332
	1962—qtr. to May 31	2,574,510	381	1,123[1]	—	497,332
Filmways	1963—9 mo. to May 31	9,017,116	187,966	83,966	.14	568,654
	1962—9 mo. to May 31	7,163,039	(345,703)	(234,803)[2]	—	568,654
GE	1963—6 mo. to June 30	2,397,358,000[3]	257,148,000	126,120,000[3]	1.40	89,945,460
Story on p. 12	1962—6 mo. to June 30	2,318,836,000	249,064,000	119,977,000	1.34	89,391,842
	1963—qtr. to June 30	1,242,885,000[3]	——	67,141,000[3]	.74	89,945,460
	1962—qtr. to June 30	1,218,270,000	——	64,014,000	.71	89,391,842
Muntz TV	1963—9 mo. to May 31	——	——	532,521	.36	1,437,482
	1962—9 mo. to May 31	——	——	783,689	.53	1,437,482
	1963—qtr. to May 31	——	——	60,921	.04	1,437,482
	1962—qtr. to May 31	——	——	182,800	.12	1,437,482
Rollins Bcstg.	1963—year to Apr. 30	7,899,744[3]	1,214,557	580,388[3]	.61	957,244
	1962—year to Apr. 30	6,395,312	831,260	437,396	.46	955,475
RCA	1963—6 mo. to June 30	877,300,000[3]	60,900,000	29,400,000[3]	1.60	17,375,000
Story on p. 12	1962—6 mo. to June 30	853,900,000	48,600,000	24,000,000	1.32	16,936,000
	1963—qtr. to June 30	441,300,000[3]	25,600,000	12,100,000[3]	.65	17,375,000
	1962—qtr. to June 30	428,900,000	19,700,000	9,500,000	.51	16,936,000
Stanley Warner	1963—39 wks. to May 25	104,268,422	3,453,112	1,798,112	.88	2,035,924
	1962—39 wks. to May 25	101,422,850	3,992,588	2,267,588	1.11	2,033,924
	1963—13 wks. to May 25	37,386,664	1,276,146	739,146	.36	2,035,924
	1962—13 wks. to May 25	34,051,600	1,217,603	707,603	.34	2,033,924
Transistor Electronics	1963—year to Apr. 30	2,108,903	——	212,344	.64	——
	1962—year to Apr. 30	1,613,017	——	130,563	.39	——
Vornado	1963—9 mo. to May 31	113,319,140	3,554,926	3,354,926	2.56	1,310,593
	1962—9 mo. to May 31	84,051,418	2,777,898	2,719,374	2.08	1,310,593
	1963—qtr. to May 31	35,005,172	916,815	916,272	.70	1,310,593
	1962—qtr. to May 31	26,970,093	794,580	782,531	.60	1,310,593
Wometco Enterprises	1963—24 wks. to June 15	9,950,000	——	1,043,459	.72	1,438,368
	1962—24 wks. to June 15	8,195,000	——	916,197	.64	1,008,857
	1963—12 wks. to June 15	4,914,000	——	518,812	.36	1,438,368
	1962—12 wks. to June 15	4,478,000	——	467,109	.32	1,008,857

Notes: [1] After tax credit. [2] After $110,900 tax credit. [3] Record. [4] After $53,640 provision to adjust for devaluation of Canadian dollar.

Personals

CBS-TV network program changes: Marc Merson, gen. program exec., to live programming dir.; **Tom Loeb,** live programming supervisor, to program sales dir.; **Robert Milford,** live programming dir., to program services dir.; **Robert Peyson,** asst. production mgr., to production mgr.; **James Lavenstein,** admin. mgr., to program liaison mgr.; **Lillian K. Curtis,** program personnel admin., to program personnel & services mgr.; **Maureen McGleave,** network films supervisor, N.Y., to program supervisor, network programs, N.Y.

Crawford H. Greenewalt, du Pont de Nemours & Co. chmn., elected chmn., Radio Free Europe Fund.

John T. Curry Jr., ex-Grey Adv. account exec., named ABC-TV adv. & promotion operations dir. . . . **Walter A. Schwartz,** ex-radio WINS N.Y. asst. gen. mgr., appointed vp & gen. mgr., radio WABC N.Y.

Thomas J. Knott promoted to public affairs dir., WBZ-TV Boston.

Richard K. Lyon & Seymour M. Chase form Lyon & Chase, Washington TV-radio law firm, Farragut Bldg. (phone: 296-5066).

Mort Werner, NBC programs vp, elected pres., National Academy of TV Arts & Sciences . . . **Norman Grant,** NBC color coordinator, resigns to become pres., Tele-Color Inc., consultants.

Henry B. Clay, KTHV Little Rock, & **John F. Patt,** WJR Detroit, appointed NAB finance committee chairmen for TV & radio, respectively.

Elizabeth B. Harris, ex-ABC Radio research mgr., named research mgr., WQXR N.Y. . . . **Harry H. Averill,** ex-RAB vp, appointed vp & gen. mgr., Thoms Radio-TV Enterprises, hq WEAM Arlington, Va.

Don B. Curran, gen. mgr., radio KGO San Francisco, elected ABC vp . . . **Alan Baker** promoted to program publicity dir., NBC press dept.

George A. Sperry, ex-WGR-TV Buffalo, appointed adv.-promotion dir., CKLW-TV-AM-FM Detroit.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

TOP TV-RADIO-PHONO BRANDS IN LATIN AMERICA: How do U.S. brand names stack up in Latin America, in terms of TV-radio-phono ownership? Consumer product surveys by International Research Associates for "Reader's Digest" of Mexico, Central America & Colombia is first of its kind, to our knowledge, and shows up some interesting trends.

It confirms nearly complete domination of these markets by Latin American affiliates of big international Philips organization. After Philips, however, U.S. trade names have overwhelming part of remainder of market. These brand names are affiliates, partly-owned subsidiaries or licensees of their U.S. counterparts. Figures represent sets-in-use, therefore don't emphasize recent trends, such as increased sale of Japanese-made equipment.

Completed about year ago, survey is based on cross-section sampling, with 2,505 interviews in 16 Mexican cities, 1,499 interviews in capitals of Costa Rica & El Salvador, 1,519 interviews in 3 principal cities of Colombia. Here are highlights:

In Mexico, 33% of respondents owned TV sets, 32% owned record players, 86% owned radios. In Colombia, 18% owned TV, 35% record players, 93% radios. In the 2 Central American countries, TV ownership was 20%, record players 25%, radios 88%.

In Mexico, Admiral was dominant TV brand, owned by 13% of TV households. GE was 2nd, with 11%, followed by Philips & Philco, 10% each; RCA Victor, 7%; Sears' Silvertone & Zenith, 6% each; Packard Bell & Majestic, 5% each; Emerson, Stromberg-Carlson & Du Mont, 2% each; Crosley & Westinghouse (IEM), 1%.

Mexican phono ownership, unlike TV, sees several European brands in important positions: RCA Victor & Garrard are first, with 9% each, followed by Philips, 8%; Silvertone & Philco, 6%; Universal & Stromberg-Carlson, 5%; GE, 4%; Telefunken, 3%; Zenith, Electra, Blaupunkt & Packard Bell, 2%; Motorola & Imperial, 1%.

Mexican radio ownership finds Philips in lead, with 13%; RCA Victor, 12%; GE, Majestic & Universal, 9% each; Zenith, 4%; Admiral & Silvertone, 3%; Philco, Emerson, Packard Bell & Telefunken, 2% each; Blaupunkt, 1%.

Philips is completely dominant in other Latin American markets surveyed. In Colombia, that brand accounts for 29% of TV sets; followed by GE, 11%; Philco, Crosley & Motorola, 8% each; RCA Victor, 6%; Emerson, 5%; Zenith & Westinghouse, 4%; Silvertone, Olympic & Sylvania, 2%.

Colombian phono ownership: Philips, 36%; Philco, 9%; Silvertone, 8%; RCA Victor, 7%; GE & Motorola, 4%; Zenith, Grundig, New Yorker, V-M, Webcor & Imperial, 2% each. Colombian radio ownership: Philips, 42%; RCA Victor, 12%; GE, 7%; Zenith, 5%; Silvertone, 3%; Telefunken, 2%.

In Central American TV ownership, Philips leads again with 16%; Sylvania is 2nd with 11%; RCA Victor, 9%; GE, Zenith & Motorola, 8%; Admiral, Philco & Du Mont, 6%; Silvertone & Emerson, 5%; Westinghouse & Hotpoint, 2%.

Of Central American phonos, Philips accounts for 30%; RCA, 10%; Philco & Webcor, 5%; Zenith & Grundig, 4%; Silvertone & Telefunken, 3%; Garrard, Blaupunkt & Lowe Opta, 2%; Stromberg, GE & Imperial, 1% each. Radio market in Central America shows Philips with 35%; Zenith, 11%; Philco, 7%; RCA Victor, 5%; Blaupunkt, 4%; Telefunken & Grundig, 3%; GE, Silvertone, Lowe Opta & Siemens, 2%; Majestic, Admiral & Emerson, 1% each.

COMPONENTS MAKERS SAG IN FIRST QUARTER: Composite components & tube manufacturers opened 1963's first quarter slowly. Drop in both sales & profits came on heels of whiz-bang 1962 (Vol. 3:14 p11) which saw combined sales of 20 firms nearly $60 million ahead of 1961, consolidated earnings of 23 companies $13.5 million ahead.

Amalgamated first-quarter sales of 22 representative components & tube manufacturers slipped more than $3.9 million to $278 million from $281.9 million in 1962's initial quarter.

Combined earnings of these 22 firms sagged more than $2 million from year-ago pace to $7.5 million from $9.6 million. The 1963 total is after deducting $896,916 losses racked up by Transitron ($663,023), General Bronze ($172,220) & Oxford Electric ($61,673). The 1962 figures also are net, after even greater loss, $1,196,585—Sangamo Electric ($546,000), Federal Pacific Electric ($353,484), Transitron ($297,101).

Many of companies we analyzed make other products in addition to tubes & components. Some are heavy on production of tubes & components for industrial, govt. & military use. However, they are representative of TV-radio components industry & are bellwethers of sales & profit trends of components for consumer electronic products. Companies analyzed: Amphenol-Borg Electronics, Clevite, CTS Corp., Erie Resistor, Federal Pacific Electric, Gabriel, General Bronze, Hawley Products, Indiana General, International Rectifier, International Resistance, Littelfuse, P. R. Mallory, Muter, National Union Electric, Oak Mfg., Oxford Electric, Sangamo Electric, Standard Kollsman, Texas Instruments, Transitron Electronic, Tung-Sol.

Our analysis of these 22 manufacturers produced these somewhat dismal capsule findings: (1) More than half—12 of 22—failed to match their year-earlier sales. (2) Even greater number—whopping 16 of 22—dropped in earnings. (3) Only one—International Resistance—posted sales record. (4) None set earnings record.

Three firms finished in red each year, but Transitron was only repeater—with far greater loss in 1963's March quarter ($663,023) than year earlier ($297,101). Sangamo, which lost $546,000 in 1962 quarter, bounced back with $148,000 profit. Federal Electric, a $353,484 loser a year ago, moved into black with $67,695 profit. Conversely, General Bronze plunged into red with $172,220 loss vs. year-earlier's skimpy $9,457 profit. Oxford Electric also recorded red $61,673 vs. 1962's Jan.-March profit of $22,664.

Among 6 firms that boosted earnings, apart from 2 that went from red to black, most impressive gains were netted by Muter, which jumped to $104,561 from $72,701, and CTS Corp., up to $619,149 from $550,014. Texas Instruments gained to $2.5 million from $2.4 million. Amphenol-Borg edged up to $440,517 from $412,384.

Sales gains were generally better—but hardly spectacular. Among leaders: Sangamo jumped to $13.4 million from $10.6 million. Oak Mfg.—$9.3 million from $7.4 million. Texas Instruments—$59.8 million from $57.5 million. General Bronze—$4.1 million from $3.5 million. CTS Corp.—$7.3 million from $6.7 million. International Resistance—record $8.6 million from $8.4 million.

Here's 1963-vs.-1962 first quarter performance of 22 representative components & tube manufacturers:

	Sales		Earnings	
	1963	1962	1963	1962
Amphenol-Borg Electronics	$ 20,241,803	$ 20,021,427	$ 440,517	$ 412,384
Clevite	25,275,052	25,972,229	1,450,690	1,852,350
CTS Corp.	7,293,933	6,672,486	619,149	550,014
Erie Resister	6,875,520	6,991,486	63,661	255,467
Federal Pacific Electric	22,997,148	23,405,186	67,695	(353,484)
Gabriel	7,390,000	7,529,828	107,519	222,735
General Bronze	4,114,822	3,518,297	(172,220)	9,457
Hawley Products	1,736,283	1,716,994	50,911	101,332
Indiana General	5,640,959	7,203,028	373,144	717,763
International Rectifier	4,723,483	5,101,371	167,318	382,287
International Resistance	8,588,476	8,391,400	452,089	680,896
Littelfuse	1,652,000	1,756,000	87,488	103,932
P. R. Mallory	24,441,022	24,506,709	864,221	1,074,321
Muter	4,172,531	4,132,740	104,561	72,701

	Sales		Earnings	
	1963	1962	1963	1962
National Union Electric	9,059,626	9,318,768	242,777	348,507
Oak Mfg.	9,345,333	7,415,802	240,685	276,013
Oxford Electric	2,089,800	2,263,583	(61,673)	22,664
Sangamo Electric	13,387,000	10,615,000	148,000	(546,000)
Standard Kollsman	18,020,000	23,436,000	265,456	805,381
Texas Instruments	59,797,000	57,483,000	2,455,000	2,411,000
Transitron Electronic	6,211,161	6,033,624	(663,023)	(297,101)
Tung-Sol	14,923,552	18,311,554	241,087	449,855
TOTALS	$277,976,504	$281,876,512	$7,545,052	$9,552,474

EUROPE TRENDS AWAY FROM 'FAIR TRADE': New European attitude toward competition, particularly in France & Germany, "is responsible for the movement away from resale price maintenance" which "years ago was the common practice in Europe's retail distribution," Chase Manhattan Bank emphasized in latest report on overseas retailing trends.

"Marketing strategies of American exporters & companies operating in Europe would do well to take into account these present developments in resale pricing," Chase cautioned, "because the changing legal setting may require them to modify their marketing strategy."

Resale price maintenance still is traditional pricing formula for branded & trademarked consumer goods, but its effectiveness "is challenged today by the rapid spread of modern retail methods and by new laws & judicial rulings on competition," Chase pointed out, adding: "Civil servants, businessmen, judges & parliamentarians have come to appreciate the importance of more competitive markets . . . The gradual weakening of resale price maintenance in Europe today is another indication of the continuing development of more competitive markets within the European Economic Community."

Fair Trade in France & Germany "has clearly been weakened by the trend of judicial interpretation," and TV sets, radios & household appliances are among products "most affected by this change." Chase amplified: "These product lines are well suited for discount houses which have expanded all over Europe. Their growth is largely a result of the decline of 'fair trade,' but supermarkets & discount houses contribute in turn to the further erosion of resale price maintenance."

Change in Europe's distribution practices, Chase report summed up, "will mean several things: Profit margins will be lower & markets will become less 'orderly' & less secure. Yet freer competition may well present new opportunities to American exporters. Their greater experience in competitive marketing should make it easier to enter the European markets & to increase exports."

• • • •

Motorola is urging dealers to "join hands now with the growing army of reputable manufacturers & resellers of quality products who are moving vigorously toward early enactment of the Quality Stabilization Bill." To our knowledge, this is first direct appeal by TV manufacturer for dealer support of Quality Stabilization legislation (Vol. 3:26 p9), which has been reported out of House committee & still is being processed by Senate subcommittee.

Motorola Consumer Products Pres. Edward R. Taylor, at N.Y. showing of new TV-stereo lines last week (see p. 11), spelled out to dealers need for Quality Stabilization legislation, told them: "If you believe in this legislation, write your Senators & Representatives and let them know." Brochure on legislation, with appeal for write-in support, was included in dealer take-home kit distributed at meeting. Motorola will deliver Quality Stabilization message to some 25,000 dealers this month during course of 20 new-line meetings scheduled around country.

TV-RADIO PRODUCTION: EIA statistics for week ended July 5 (27th week of 1963):

	June 29-July 5	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV	89,693	156,843	82,441	3,550,961	3,375,855
Total radio	239,739	369,357	270,323	8,857,747	9,528,398
Auto radio	111,313	137,092	110,678	3,898,641	3,372,793

IMPORTS UP, EXPORTS DOWN: Japanese TV exports to U.S. for first 5 months of 1963 totaled more than 4% of U.S. black-&-white TV production for same period. In first 5 months of 1962, Japanese sets sent to U.S. were equivalent to only about 1% of American factory output.

Japanese TV exports to U.S. during the 1963 period were 3 times as great as in first 5 months of 1962. For the 1963 period, total was 121,380 sets, compared with 30,382 one year earlier. Breakdown by type of set for 1963 period (1962 figures in parentheses): Over 21-in., 5,267 (2); tube-type sets smaller than 21-in., 67,221 (23,213); transistor TV, 48,892 (7,167).

During May 1963, Japanese TV exports to U.S. held at the same 4% of domestic production; in May 1962 they totaled 3% of U.S. output. May 1963's exports were 19,145 sets, compared with 13,838 one year earlier. Breakdown: Over 21-in., none; tube sets, 9,229 (12,218 in May 1962); transistor, 9,916 (1,620). Significantly, May 1963 saw shipments of transistor sets exceeding tube sets for first time.

Year's first 5 months saw sharp decline in Japanese exports to U.S. of tube radios and "toy" transistor radios (fewer than 3 transistors). Perhaps reflecting softness in U.S. radio market, May shipments in all categories were lower than May 1962, although 5-month shipments of transistor radios were up 13%.

Here are 5-month figures for Japanese radio exports to U.S. (comparable 1962 figures in parentheses): With 3 or more transistors, 2,785,632 (2,463,954); tube radios, 619,074 (408,629); others (mostly "toys"), 939,894 (1,323,219). For May 1963 (vs. May 1962): Transistor, 575,713 (639,591); tube, 84,316 (150,592); others, 174,755 (210,206).

As TV shipments to U.S. increased, American TV exports showed decline of 28% in dollar volume & 27% in units for first 3 months of 1963 as compared with 1962's first quarter. Preliminary reports from Commerce Dept. place first-quarter U.S. TV exports at 27,000 units worth $3,283,000, compared with 37,000 at $4,568,000 year earlier.

Imports of TV sets exceeded exports during first quarter, Commerce Dept. reporting imports of $4,679,000 in TVs (of which $4,636,000 came from Japan).

Other first-quarter imports (comparable 1962 figures in parentheses, where available), as reported by Commerce Dept.: Transistor radios, 2,194,000 units at $13,542,000 (2,272,000 at $13,950,000); radio-phonos, 40,000 at $3,239,000 (43,000 at $3,609,000); recorders, $7,475,000; receiving tubes, 17,371,000 at $6,891,000 (11,991,000 at $4,759,000).

Automatic Radio Mfg. is suing Ford Motor for $15 million in triple damages, charging anti-trust violation in latter's sales policy on car radios. In action filed in Boston Federal Court, Automatic accused Ford & unnamed others of conspiracy to "monopolize interstate trade & commerce in the sale of automobile radios designed for installation in cars made by Ford." Suit complained that Ford since 1957 compelled certain auto dealers to sell only Ford radios for installation in Ford cars. Automatic also charged that Ford acquired Philco "for the purpose of manufacturing car radios for the Ford car line as part of a plan to monopolize." Ford said Philco makes no car radios.

Trade Personals

Charles H. Colledge, division vp & gen. mgr. of RCA Broadcast & Communications Products Div., elected a dir. of RCA Victor Co. Ltd., Montreal.

William P. Hilliard appointed pres. of General Precision's GPL Div., succeeded by **J. Frank Price** as pres. of subsidiary Pleasantville Instrument.

Andrew D. Farrell, former Bendix rep in Washington, appointed head of IIT Research Institute's new Washington office, 1755 Massachusetts Ave. (phone: 234-6880).

Edward J. Carney, onetime RCA Semiconductor Products & Components ad mgr., joins ITT's Distributor Products Div. as ad & sales promotion mgr.

Kenneth W. Bilby, RCA public affairs exec. vp, has been named chairman of the Manufacturing II Unit of the Publicly Owned Corporations Div. of the Greater N.Y. Fund, directing 1963 fund campaign among approximately 150 firms and their employes in N.Y. area.

Donald N. Lombardi, ex-Bro-Dart Industries, named personnel dir., Pilot Radio Corp.

Robert V. Jordan appointed mkt. planning mgr. for Sylvania's Electronic Tube & Microwave Device Divs.

Ron Sanderson named pres. of Newark Electronics subsidiary Newark Herrlinger Distributing, succeeding **Cal Callaghan,** resigned; **William Little** replaces Sanderson as pres. of Newark Industrial Electronic Supply, another subsidiary.

Michael D. Roman appointed Bulova Watch national sales mgr. for radio & stereo products, Accutron timepieces, and watches; **Mort Smit** named consumer electric products sales mgr. Both are new posts.

Sylvania Pres. Gene K. Beare returned to his home July 11 to recuperate from injuries suffered in July 2 airliner crash in Rochester in which Controller Roy E. Drew was killed (Vol. 3:27 p12). His condition was described as excellent, with complete recovery anticipated after several weeks at home. He sustained fractures of left leg & several ribs and injury to shoulder. David K. Elwell, new product planning dir., is still in Strong Memorial Hospital, Rochester, where he was reported making good progress in view of his extensive injuries. In addition to amputation of his left leg, he suffered multiple fractures of face & jaw, ribs and right ankle. Dr. Lee Davenport, pres. of GT&E Labs, also injured in crash, is now back at work, having been released from hospital July 3.

Obituary

Frank E. Smolek, Zenith Sales Corp. national service dir., died July 7 at West Suburban Hospital, Oak Park, Ill. He joined Zenith in 1928, had been national service dir. since 1932. He is survived by his widow and son.

James F. Lillis, 54, ITT vp & controller, died July 7 of heart attack at the Norwood Inn, Avon, N.J., which he recently purchased. He lived in N.Y.C. Prior to joining ITT in 1959, he had been vp & controller of Burroughs Corp., Detroit, for 10 years. He is survived by his widow & daughter.

Motorola Radio & Stereo: Motorola introduced to dealers last week its longest phono line in years, and a lengthened radio line—both featuring some unusual items.

Stereo pitch this year will be "Wide Spectrum Sound System," using Motorola's 3-amplifier principle. Center bass speaker in more expensive consoles is concealed by acoustical wood baffle, designed to provide damping effect for truer bass reproduction, and permitting use of more pliant speaker cone. Motorola also continues to feature reverb ("Vibrasonic") and has new phono pickup arm with 1½ grams pressure.

Popular coffee table stereo line is expanded this year and now starts at $99.95. New to line is upholstered window-bench stereo at $429.95. In portable line, there are 2 all-transistor units, at $179.95 (swing-down) and $229.95 (with fold-away mobile cart). Consoles are priced from $149.95 to $995, include variety of cabinets by Drexel & Heritage at upper end.

Radio line features 2 new concepts—"Tandem" transistor AM clock radio, whose radio can be detached and used as portable on own self-contained batteries ($39.95); AM-FM multiplex radio which folds into "occasional chest" when not in use ($225). Clock radios are $19.95-$39.95, with transistor clock radios at $44.95 & $49.95, AM-FM-clock at $69.95 & $79.95. Table radios start at $14.95, topped by open-list long-distance AM radio. New AM-FM portable is $59.95; AM-FM table radios (4 models) are $49.95-$79.95.

———■———

Program for 3rd all-channel clinic sponsored by Committee for Full Development of All-Channel Bcstg. was announced last week. Scheduled at 8:30-10:30 a.m. July 22 during NAMM Music Show at Chicago's Palmer House, keynote address will be presented by FCC Comr. Robert E. Lee. Panel discussion will be moderated by W. T. Hamilton of WNDU-TV South Bend. Panelists: Robert G. Weston, Lee's engineer; Jack Beever, Jerrold Electronics; John J. Frick, Frick Electronics & TV Inc.; Garth Heisig, Motorola; Harold Isenring, Sears, Roebuck. In afternoon meeting following clinic, CAB's Consumer Information Committee, temporarily headed by EIA Exec. Vp James D. Secrest, will meet to consider whether to schedule additional clinics and whether to conduct a consumer information program.

First OEM version of 3M-Revere tape-cartridge changer will be introduced by Ravenswood next week at Music Show in Chicago, as optional feature in its console line. At same time, 3M will introduce 3 new models, designed to be sold through same franchised outlets as its original $450 tape-cartridge unit. Two are tape decks—one a recorder-player, the other a playback-only unit—designed to be used with buyer's existing stereo amplifier. Third new model is self-contained portable tape-cartridge player—similar to original model, except that it lacks recording feature. Prices haven't been disclosed.

Good-business reports: Zenith first-half sales set new record, according to ads placed in trade papers, with b&w sales at all-time first-half high "with greatest share of industry ever;" color sales doubled those of first-half 1962, putting "Zenith in very dominant 2nd place—and still gaining;" radio sales were higher than year-ago and stereo sales set new record . . . **Packard Bell** reports sales to dealers at its 1964-line showing in June "exceeded the all-time high sales of last year's showing by 113%."

Distributor Notes: Motorola Consumer Products Div. names **Robert E. Hanrahan**, pres. of R. E. Hanrahan Inc., Gary, Ind., "Distributor of the Year" for top performance in 1962 among 92 distributors • **Motorola** names Billings, Mont.-based **Taylor Distributing Co.** distributor for eastern Washington, northern Idaho & Montana, succeeding Sunset Electric. Taylor, which is discontinuing Sylvania TV & electronics lines, will service new territory from its Spokane, Wash. branch. • **Emerson** appoints 4 distributors for Telectro tape recorders: **Steve Jordan Inc.**, 1117 N. Sante Fe, Wichita, Kan., for central & western Kansas; **W. B. Lloyd Co.**, 160 S. 4th West, Salt Lake City, for Utah; **Mason Distributing**, 2000 Baltimore St., Kansas City, Mo., for western Missouri & 15 northeastern Kansas counties; **National Mill Supply**, 207 E. Columbia St., Fort Wayne, Ind., for 13 northeastern Indiana counties.

Color will account for virtually all TV set sales by 1970, RCA Chmn. David Sarnoff predicted in lengthy profile in July 7 *N.Y. Herald Tribune*. He also believes field of communications has been "barely scratched," discussed with enthusiasm new personalized frequencies which will enable anyone to see & speak with anyone else anywhere in world via wallet-size or even watch-size TV-radio-telephone device. "This may sound like a fuzzy dream, but it's the most realizable of all the things we've been discussing," Sarnoff told *Tribune* business & financial editor Donald I. Rogers. "It doesn't require any startling invention. The principle already exists." Device was among various electronic developments forecast by Sarnoff in next 10-20 years.

Field of industrial control is next major area of continuing industrial revolution, noted Gulton Industries Chmn.-Pres. Dr. Leslie K. Gulton in July 7 *N.Y. Times* profile. Electronic & electrical components now account for some 27% of Gulton's total sales, test & control instrumentation 25%, power sources & power conversion equipment 23%, cordless consumer products, optical scanners, data-handling equipment & similar products 25%. Gulton operates 9 divisions, employs more than 2,000, boosted earnings 36% to $1.4 million on 23% sales rise to $30 million in 1963 fiscal year ended Feb. 28. "The most important catalyst in any type of work is enthusiasm," he said.

Retailers foresee average 10% profit rise on 5% sales gain in 1963's 2nd half compared with year earlier, concluded National Retail Merchants Assn. after survey of 195 retail executives representing more than 2,000 department, specialty & variety stores. Findings: 68% anticipate profit increases, 4 out of 5 see sales rise; 57% expect prices to remain stable; 42% anticipate higher fall prices; only 27% anticipate rise in inventories; 44% plan to increase private labels, 38% will use more national brands.

Talk about warranty problems—a Communist Party commission investigating Russia's TV manufacturing industry reported that 30-50% of 5 makes of Soviet TV sets failed during first hours of use. Some 65% of all sets sold were returned for repairs within first 6 months of use. Reporting in *Pravda*, commission said more than 60,000 complaints were received last year about unreliable TV sets.

Plant vacation shutdowns (cont.): **Philco** Consumer Products Div. manufacturing plants, July 15-Aug. 5 (Philadelphia & Watsontown, Pa. facilities), July 15-Aug. 12 (Connersville, Ind.).

New Highs for RCA: "RCA now stands on the firmest footing since its founding 44 years ago." So said Chmn. David Sarnoff & Pres. Elmer W. Engstrom in announcing all-times sales & earnings records for both first-half & 2nd-quarter 1963. Steady upward progression in earnings, they added, should continue through 1963 & beyond, barring unforseen reversals in national economy.

For 2nd quarter, net profits rose 27% to $12.1 million on sales increase of 3% to $441.3 million. For first half, net earnings were up 23% to $29.4 million on sales rise of 3% to $877.3 million. (For details see financial table.)

Sarnoff & Engstrom attributed performance in no small measure to "profit-oriented management group," and added: "We believe we have today a stronger management team, with greater depth in qualified personnel, than at any time in RCA's history."

Among highlights of their report: (1) RCA now has more than 550 computer systems installed or on order. (2) Company maintains leadership in color, and Home Instruments Div. had its best 2nd quarter & first half in history. (3) NBC's sales & profits set new records in 2nd quarter & first half.

———■———

GE posted record sales & earnings in 1963's 2nd quarter, boosted first-half profit 5% above year ago on 3% sales rise to peak $2.4 billion (see financial table). Included in first-half earnings of $126.1 million are net earnings of $4,355,000 produced by GE Credit Corp. In 1962's first half this subsidiary had $3,805,000 of total $120 million profit. Chmn. Ralph J. Cordiner noted higher sales of products for consumer, industrial, international & utility markets, said rate of incoming orders is ahead of year earlier. He pointed out that downward price trend has begun to "stabilize and in some important instances to reverse itself," called these "encouraging aspects of the business picture."

Reports & comments: Litton Industries, study, Goodbody & Co., 2 Broadway, N.Y. 4 • **Magnavox,** analysis, Oliphant & Co., 61 Broadway, N.Y. 6 • **Electronic Associates,** report, Emanuel, Deetjen & Co., 120 Broadway, N.Y. 5; discussion, Hayden, Stone & Co., 25 Broad St., N.Y. 4 • **Magnavox,** comments, Cohen, Simonson & Co., 25 Broad St., N.Y. 4 • **CBS,** report, Evans & Co., 300 Park Ave., N.Y. 22 • **Zenith, AT&T, Schlumberger (Daystrom)** and **Electronic Associates,** analyses, Carl M. Loeb, Rhoades & Co., 42 Wall St., N.Y. 5 • **Walt Disney Productions, review,** Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4 • **Vornado,** discussion, Bruns, Nordeman & Co., 52 Wall St., N.Y. 5.

Hitachi Ltd. placed on American market 75 million common shares valued at $20,859,375, through underwriting group headed by Dillon, Read & Co. and Yamaichi Securities Co. of N.Y. (Vol. 3:24 p12). Offering, one of largest in U.S. by a Japanese firm, is in form of 937,500 American Depository Shares, each representing 80 common shares & priced at $22.25.

P. R. Mallory boosted 2nd-quarter profits 10-15% on 4.2% rise to record $25.4 million sales from year-earlier's indicated earnings of $976,058 on $24.6 million sales. Pres. G. Barron Mallory attributed profit improvement to "greatly increased operating efficiencies & strict control of all costs."

Independent TV-appliance retailers in increasing numbers are pooling their buying power in co-operatives to cut costs, broaden inventories and battle on more even terms with discounters & department stores, noted July 10 *Wall St. Journal.* "In the face of intensifying competition from discounters," *Journal* said, "some independent appliance dealers see the co-ops as their best chance for survival. It's estimated that the number of independent appliance dealers in the nation has dropped to 35,000 from about 40,000 in 1955." Profile spotlighted Marta Co-Operative as one of nation's "oldest & most ambitious co-ops," noted that it embraces 85 members from Massachusetts to Virginia, compared with 11 when it started in 1949. Some manufacturers & distributors are less than happy with co-ops, *Journal* said, because "group buying prevents them from limiting sales of their products to the specific outlets they want, and they fret that co-ops may pressure them into granting price concessions they don't want to make general."

Legalities: Wilcox-Gay & wholly-owned subsidiary **Majestic International** have filed separate Chapter 11 petitions but will continue operating until further order of Federal Court, Brooklyn. Wilcox-Gay listed liabilities of $479,723 vs. assets of $651,319, including $495,000 accounts receivable & $16,318 deposits. Majestic noted liabilities of $2,698,888 vs. assets $510,123, including $123 deposits, $300,000 unliquidated claims, $210,000 inventory. Wilcox-Gay reportedly has reached merger agreement with American TV Inc., headed by U. A. Sanabria (Vol. 3:25 p9) • **Space-Tone Electronics** & 3 subsidiaries (American Music Guild, components-&-cabinet-making Product & Industrial Engineering Corp., and International Acceptance Corp.) have filed voluntary bankruptcy petitions in Federal District Court, Washington, D.C. Samuel M. Greenbaum was named receiver by Judge David A. Pine. Schedules of assets & liabilities will be filed July 19.

Storer Bcstg. revenues from TV-radio station operations "will be at least 10% ahead of last year for the first half," spokesman noted, but loss of more than $300,000 on sale of *Miami Beach Sun* obviates similar increase in profit. Nonrecurring loss pushed 2nd-quarter profit below year ago, but Storer anticipates that any first-half profit decrease won't be more than "a few cents a share" from 1962's first-half earnings of $1.48 a share. Last year, too, Storer had nonrecurring gain of $912,863 on sale of radio WWVA Wheeling, W. Va.

Magnavox has franchised 2 Polk Bros. stores in Chicago, radio-TV sales mgr. George Fezell announced last week, and may add other Polk stores, "contingent on the success of the initial effort." Polk will emphasize "new selling techniques, including development of an 'in-home' selling program," Fezell said, adding that "all Magnavox products will be sold in conformance with the company's national sales policy."

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
A. C. Nielsen	Q	.17½	Aug. 1	July 12
Avco	Q	$0.20	Aug. 20	July 26
Intl. Resistance	Q	.10	Aug. 30	Aug. 15
Medallion Pictures	Stk.	10%	Aug. 15	July 31
Taft Bcstg.	—	.15	Sept. 12	Aug. 15
Wometco Ent.—"A"	—	.15	Sept. 13	Aug. 30
Wometco Ent.—"B"	—	.05½	Sept. 13	Aug. 30

NAB LIBRARY

WEEKLY

Television Digest

with

Consumer Electronics . . . (starts page 7)

JULY 22, 1963 NEW SERIES, VOL. 3, No. 29

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

FCC ACTIVITY—BACKGROUND REPORT on recent work, projected plans of offices: network study, hearings, complaints, chief engineer, field engineering, etc. (p. 1).

FM FREEZE-END PLAN BEFORE FCC this week, staff recommending table of assignments with same mileage separations as before (p. 2).

IT'S FINAL—OUTSIDE RATING AUDIT: NAB Rating Council executive committee meets, will establish non-profit organization to oversee audit, which will be done by national accounting or business management firm; Nielsen gives up Audimeter in network radio (p. 2).

SHARPER EDITORIAL GUIDELINES: House hearings on editorializing get hot as Congressmen worry about political attacks. Broadcasters defend fairness doctrine, but lawmakers think it's weak (p. 3).

COX DROPPING OUT OF DROP-IN CASE? MST says he must, because of his advocacy as Broadcast Bureau chief. Cox doubts it. EIA joins opposition to drop-ins (p. 5).

Consumer Electronics

SYMPHONIC-VS.-NEC ANTI-TRUST SUIT strikes at business practices of Japan's industrial giants, charging Japanese TV industry boycott as 'punishment' for Spiegel incident (p. 7).

COLOR REPRICING unlikely until fall, with no drop-ins from major manufacturers due at Music Show; Olympic offers color consolette at $449.95, color-phono combo at $499.95 (p. 8).

WHO PAYS 'RETAIL' ANY MORE? Survey by Opinion Research Corp. finds that consumers of all economic & social strata now expect price concessions & 52% of customers in metropolitan areas pay less than list more often than they did 5-10 years ago (p. 8).

TINYVISION DOUBLE-TAKE by industry results from initial success of GE 11-in. sets; except for Admiral set, no introductions appear imminent, but designers are busy (p. 9).

MUSIC SHOW introductions stress transistorization, FM stereo & unique ideas; highlights of advance announcements (p. 11).

FCC ACTIVITY — BACKGROUND REPORT: FCC has a loaded agenda, is trying to knock out some major items before Aug. recess or soon thereafter, as we noted recently (Vol. 3:25 p2). Nearest seems to be FM allocation, which may be voted this week (see p. 2). There's no telling what else will make it soon.

Lawyers & clients were relieved somewhat last week when Commission announced that many kinds of station sales will be acted on in Aug. by Broadcast Bureau under delegated authority.

Meanwhile, heads of FCC's various offices have summarized for Commission their recent activities and projects ahead. We've learned what some of them are. They include:

(1) Legislative history of Radio & Communications Acts is to be studied to determine whether Commission may already have power to regulate networks directly.

(2) Anti-trust angles of network program acquisition policies have been studied, will be reported to Commission soon.

(3) Largo, Fla. Ch. 10, supplemental decision is expected by Aug. 15, Rochester Ch. 13 initial decision by Dec., NBC-Philco initial decision by Nov. 1.

(4) Complaints & Compliance Div. in June sent investigators on 5-day trip to Mass. to examine slanted-editorializing charge, 1½-day trip to Philadelphia re rigged-contest charge, 4 days to York, Pa. & Annapolis, Md. re gambling matter.

(5) Chief Engineer's office has nearly completed work on precision offset, is also testing TV transmissions with low audio power. Study was made of station spacing in Britain with horizontal & vertical polarization.

(6) Field Engineering Bureau put 552 man-days in special study of rules violation in Citizens Band, found 5,470 violations.

FM FREEZE-END PLAN BEFORE FCC: Vote to end FM application freeze may come from FCC July 25. Special meeting is scheduled to consider staff recommendations for a "Third Report" in the long proceeding. We've learned that staff proposes following:

(1) Adopt table of assignments as spelled out in Aug. 1, 1962, "First Report." There would be many changes from those proposed in Dec. 21, 1962 "Second Notice," but principles would be same. In 48 states, there would be some 2,830 assignments, about 160 more than in "Second Notice."

(2) Ten existing stations would change channels at licensees' request. Three others would be changed involuntarily (KREP Santa Clara, Cal.; KIMP-FM Mt. Pleasant, Tex.; WTTC-FM Towanda, Pa.).

(3) Freeze would be lifted for all applications except in Puerto Rico & Virgin Islands. Applicants would be given 60 days within which to conform with new table of assignments—before any grants would be made.

(4) Minimum ERP for new Class C stations would be raised from 10 to 25 kw.

"Third Report" would leave several factors for later resolution:

Power increases for short-spaced existing stations—those not too close together—may be provided in quite a few cases, under strict rules.

Table of assignments is recommended for Hawaii, Alaska, Puerto Rico, Virgin Islands, Guam—probably with mileage separations different from those in continental U.S.—to come later.

Educational FM (EFM) assignment plan would have to be devised.

• • • •

Underlying staff's basic thinking is belief that FM should retain potential for wide-area coverage because: (1) Suburbs keep extending. (2) Primary night aural service to rural "white areas" is needed. (3) Stereo takes more power than mono—for same coverage. (4) FMs appealing to minority tastes need broad geographic base to get adequate economic base.

IT'S FINAL—OUTSIDE RATING AUDIT: NAB plans to set up non-profit organization to handle mechanics of rating firm audit. Auditing itself will be done by outside national organization—accounting or business management firm, as we indicated earlier (Vol. 3:27 p3)—which will be responsible to non-profit group.

This was highlight of actions at N.Y. meeting last week of exec. committee of NAB's Rating Council and its Research Committee, both chaired by Group W's Don McGannon. About 20 attended, including 2 AAAA representatives, one ANA. McGannon said "everything was moving ahead of schedule." Other developments:

(1) Criteria & Standards Subcommittee reported that it expects to be finished defining criteria for rating service performance by mid-Aug. These criteria—along with individually designed methods questionnaire for each service—will be mailed to raters by late Aug. (Vol. 3:27 p3).

(2) Final endorsement of most rating services to audit & accreditation plan has pleased Council. NAB wouldn't disclose names of raters who've given OK. "We don't want to create problems with any that haven't as yet," said spokesman. One official conceded that most of the majors are in. He wouldn't confirm nor deny report here last week (Vol. 3:28 p3) that ARB, Sindlinger, Pulse, Hooper have assented, that only Nielsen hasn't been heard from among large raters. Firm is considered key because of importance in network TV. Negative answer isn't likely, but Nielsen is expected to express reservations, make suggestions.

(3) Also last week, NAB representatives met again with RAB and Audits & Surveys Co., on radio methodology study. Reportedly, NAB was much impressd with research objectives of A&S plan, asked that comprehensive presentation be drawn up in form of recommendation to Research Committee. Final action, on whether NAB will put up $75,000 or part of it to co-partner study with RAB, won't come until mid-Sept.

Among things that impressed NAB: Plan for time-&-motion study of various rating methods, development of mathematical models to produce estimates of cumulative audiences, shedding of light on certain TV research problems as well as radio.

RAB is going ahead on development of study, isn't necessarily waiting for NAB approval, is proceeding on premise that there's still good chance NAB won't co-partner.

Attending NAB-RAB confab: NBC's Hugh Beville, Metromedia's Bennet Korn, NAB's Melvin Goldberg, Group W's James Yergin, RAB's Ed Bunker & Miles David, A&S's Solomon Dutka, Lester Frankel, Wally Knudsen.

In other rating actions, it's learned that Nielsen has dropped its Audimeter device from new network radio measurement plan. That leaves diaries & Recordimeter clock. Networks are studying proposals now.

WAME Miami lawyers, asked by federal court to amend suit against Nielsen by making damages more specific, did so. Added to complaint is statement that Nielsen didn't measure total radio listening because of inability to include auto radio, transistor radio, multi-radio homes. Nielsen is expected once more to file for dismissal.

SHARPER EDITORIAL GUIDELINES: Prospects for strengthened FCC rules on editorializing appeared in the cards last week, after 5 days of sharply worded House hearings.

Congressmen on Communications Subcommittee, chaired by Rep. Rogers (D-Tex.), kept talking about need for legislation, indicated they would settle for nothing less than FCC rules to supplant "fairness doctrine." Broadcasters would settle for that in lieu of legislation. FCC, as we indicated week ago, said it's working on editorializing primer, is giving thought to rule-making to delineate broadcasters' responsibility. FCC Chmn. Henry indicated primer would give examples of editorial problems & how FCC handled them.

There were many congressional objections to editorializing, many of them—as one might expect—dealing with political attacks and with mechanics of rebuttal. Look for any new rules to deal with following complaints:

(1) Fairness doctrine isn't specific. (2) Aside from invitations to reply, stations don't publicize that they are charged with responsibility to present opposing views. (3) Rebuttal may be aired at times different from original editorial, reaching different audience. (4) Editorializing creeps into some news programs without being identified. (5) Copies of editorials in too many cases aren't sent to interested, or attacked, parties. (6) There's no system for keeping editorials on file for specified time. (7) In general, not enough rebuttals are sought or presented. (8) Lack of competence of many stations to present researched editorials.

As hearings started, Rep. Hemphill (D-S.C.) stated flatly that editorials should be "done away with" because they're "vindictive." "It's not worth the trouble to the broadcaster, the public or the FCC," he said. Hemphill is not biased against only TV-radio, however. He didn't approve of newspapers that "blast you on the front page and retract it on the back . . . I still want to give [newspapers] their freedom. I wish I could give them some integrity."

Rep. Bennett (R-Mich.) said he didn't think FCC had authority to encourage editorializing, that it wasn't provided for in Communications Act. Henry said it stems from requirement that broadcasters serve community needs. Dan Kops (WAVZ New Haven & WTRY Troy), speaking for NAB, said it came from Sec. 326 of Act, which prohibits censorship. CBS Pres. Frank Stanton said it evolved from the "totality of the Act." Serving the public interest, he stated, "gives us the right to cover the broad spectrum" of programming & issues until Congress or the FCC takes that right away.

In brisk exchange with Subcommittee members, NAB gen. counsel Doug Anello said Congress "can't prohibit any area of programming. You can't attach an unconstitutional condition [to Act]." Moss replied, "But you certainly can impose standards."

Anello pressed on: "I don't think [Sec. 315] is constitutional." Why isn't there a test case, if convictions are so strong? Moss asked. "The only way to test it is by having a broadcaster put his license on the line," Anello said with finality. NAB lawyer referred to 1959 case he tried before Supreme Court in which WDAY Fargo was absolved of any liability in political broadcasting. Court didn't rule on constitutionality because it wasn't an issue in suit.

Stanton was industry's best salesman. He said editorials are vital in a free society "to stimulate discussion and criticism." He related editorializing procedures used by CBS-owned stations & network, bringing this comment from Rep. Younger (R-Cal.): "If all broadcasters were Stantons we wouldn't need an FCC."

Stanton said he was opposed to any legislation, stated fairness doctrine was adequate, but didn't quarrel with idea of clearer FCC rules. Bennett charged that Stanton advocates "de-regulation" everytime he comes before Subcommittee. "I'm saying no further regulation is necessary," replied Stanton.

"You don't have to operate in the public interest as a network," said Bennett. "You thumb your nose at the FCC with impunity." Stanton said company would come under FCC review if it behaved one way as a licensee & another way as a network. He added that FCC does regulate indirectly through stations, citing option time elimination & programming decisions. Bennett amended his charge to say "you could thumb your nose. . ."

Stanton's views reached Rep. Moss (D-Cal.), who wrangled with earlier witnesses over provision in his political editorializing bill (HR-7072) (Vol. 3:28 p1). It would require candidates—not their spokesmen—to reply to editorials that attack them or support opposing office-seekers. Industry witnesses claimed this would create equal time problem by giving all candidates for office a right to comment.

Moss & Stanton then seemed to reach meeting of minds—that perhaps bill could act as an additional amendment to Sec. 315, exempting equal time in these cases and allowing only aggrieved candidate to respond.

Kops argued that broadcasters have same freedom as newspapers, but with further obligation "to bring out all views." He said, as did others, that broadcast editorials are especially necessary today because of consolidation of newspapers. He also presented NAB's newest version of "Editorializing on the Air." It includes 16 guideposts and an interpretation of fairness doctrine. Most congressmen felt same way Younger did—that doctrine leaves opportunity for broadcaster to "crucify" a candidate and then select spokesman of his own choice for rebuttal.

Anello said he favored FCC rules, as against legislation that couldn't deal with many different & changing situations. He also said that FCC could use "cease & desist" procedure more often.

Henry supported editorializing, much as we indicated week ago, thought fairness doctrine was workable but that sharpening of broadcaster responsibilities was necessary, especially in cases of personal attack. He agreed with spirit of Moss's bill, but not its specifics. He thought that legislation was not as appropriate as rule-making. Commission was criticized by Bennett for having done little since 1949 to set down rules on editorializing. He called Henry's statement a "weak one," later referred to fairness doctrine as "ridiculous" & "asinine."

Younger complained about statement of Sherwood Gordon, radio KSDO San Diego, who indicated he didn't think he had to grant opposing views in editorials. Henry said he'll investigate.

Group W Pres. Don McGannon related procedures followed by his stations—complete separation of news dept. from management editorializing, methods used in research and in helping individuals & groups who take opposing stands. He closed by opposing any legislation or rules that will "hamper" editorializing. "I urge you [to] encourage an even greater number of broadcasters to undertake this task in a serious, systematic and responsible way."

ABC-owned stations adopted editorializing policy Aug. 1, 1962, with most of the stations now taking on-air stands, and those that haven't will do so shortly, stated Theodore F. Shaker, ABC-owned TV stations' pres. He was joined by Harold Neal, ABC-owned radio stations' pres. ABC editorial policy bans political endorsements.

NBC sent statement of editorial position. It repeated, in part, views expressed by Chmn. Robert Sarnoff before Senate equal-time hearings last month (Vol. 3:26 p3): Company fully endorses right of stations to editorialize, though its owned stations don't. It doesn't believe network should editorialize because on-air views should originate with licensees.

Network said it isn't convinced that editorials "add significantly" to information service that includes news, interview & discussion programs.

Two testifying Congressmen supported unhampered editorializing. Rep. Van Deerlin (D-Cal.), a former TV-radio commentator, said Congress should join with FCC, NAB, others to stimulate "full and free discussion of public issues." He said hearings "may tend to discourage, if not intimidate" licensees who editorialize. Rep. Dorn (D-S.C.) said editorializing was making "great contribution."

Rep. Hall (R-Mo.) said he favors local editorializing, but is against network documentaries that he believes add up to editorializing, said networks ought to be regulated in this regard. Mutual Pres. Robert Hurleigh said many small stations want to editorialize, but haven't the staff.

Hearings will pick up again in Aug., devoted mostly to station witnesses. Georgia Assn. of Bcstrs. has sent names of 3 members ready to testify; also Ben Strouse, WWDC Washington, is slated to appear. GAB holds its National Broadcast Editorial Conference this week, July 25-27, at U. of Georgia. Rep. Harris (D-Ark.) & Kurt Borchardt, House communications specialist, are scheduled to appear, among others.

COX DROPPING OUT OF DROP-IN CASE? Unusual anti-drop-in move was brought into picture last week by Assn. of Maximum Service Telecasters: It filed motion asking Comr. Cox to pull out of proceeding, stating that he's legally barred from participating because of his previous work on case as chief of Broadcast Bureau.

MST relies heavily on "Sangamon Valley" case, in which Court of Appeals held that channel-shift rule-making proceeding involved there was "adjudicatory," not "legislative." MST argues that vhf drop-in situation is similar and that Cox served as an "investigator" or "prosecutor" favoring drop-ins when he was in Bureau. Therefore, MST says, separation-of-functions law requires that he not participate in final vote.

Cox's initial reaction is that MST is wrong. He says that FCC attorneys are researching case and he hopes to respond soon. Commission attorneys we've queried agree with Cox. It's expected MST will go to court if Commission turns it down.

Importance of MST's move is this: Cox is most ardent drop-in advocate. He was with minority in 4-3 vote rejecting drop-ins. New Comr. Loevinger replaced Minow, who voted against drop-ins; if Loevinger votes for drop-ins, and Cox votes again, decision would be reversed. If Cox doesn't vote, and Loevinger favors drop-ins, vote stands at 3-3 (assuming no switch in votes) and old decision stands: No drop-ins. (While everyone speculates about Loevinger's thinking, he says he doesn't know how he'll vote.)

MST makes it abundantly clear that it has "the highest personal respect and esteem for Comr. Cox and his inherent impartiality," and that it's "motivated by professional responsibility" to Cox & Commission.

MST also filed opposition to the numerous petitions for reconsideration. It was joined by, among others, EIA, which said public in the 7 proposed drop-in markets would be hurt if FCC reverses. It said 122,450 sets were sold in those markets last year, with retail value of $24.5 million. If sets were all-channel, EIA said, public would have paid extra $3,675,000—and the uhf portion they paid for would be useless if uhfs aren't built.

Personals

Glenn Marshall Jr., WJXT Jacksonville, & **Richard W. Chapin**, KFOR Lincoln, Neb., appointed NAB 1964 convention co-chairmen.

Edward Codel, Katz Agency, re-elected Station Representatives Assn. pres.; **Adam Young** elected vp; **Robert E. Eastman**, treas.; **Bob Dore**, secy.

Harvey Spiegel, TvB research vp, elected Radio & TV Research Council pres. . . . **Don Richardson**, assignment editor, CBS News, Washington, promoted to asst. news dir.

Robert Norvet, CBS-TV film operations dir., Hollywood, promoted to film operations gen. mgr. . . . **Laurence M. Bub**, literary rights & contract negotiations admin., NBC West Coast, promoted to talent & program administration mgr.

Arthur Salzburgh, ex-CBS-TV Stations Div., named research mgr., ABC Radio . . . **Rudi Witschi** appointed mgr., Trans-Lux TV's new international sales office, hq Zurich.

Edwin C. Metcalfe, RKO General national sales head, Los Angeles, appointed sales operations dir., group's CKLW-TV-AM Detroit . . . **Donald L. Chapin** elected vp in charge of sales, Taft Bcstg.

Charles Keller promoted to news & special events dir., WFIL-TV-AM Philadelphia, succeeded by **John Toutkaldjian** as film production unit exec. dir.

Bob Macpherson appointed promotion mgr., CTV Network, Toronto, succeeding **Ed Hausmann**, resigned . . . **Robert B. Beusse**, WOR-TV-AM N.Y. adv. & promotion mgr., promoted to adv. & sales development dir.

Obituary

Dr. Herbert T. Kalmus, 81, founder & developer of Technicolor, died July 10 of heart attack at Hollywood home. He is survived by wife, 2 stepdaughters.

Donald E. Allen, 50, promotional services mgr., NBC West Coast, died July 15 at St. Joseph's Hospital, Burbank, apparently of heart attack. He had been with NBC since 1947. Survivors are wife, 2 daughters, brother.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington 6, D. C.
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

TELEVISION DIGEST. Published Mondays. Services: $75-$150 annually.
For group rates & other subscription services, write Headquarters.
TELEVISION FACTBOOK Published Annually
TV & AM-FM ADDENDA Published Saturdays
AM-FM DIRECTORY Published Annually

Active TV committees representing U.S. TV film companies have been established in Europe's principal TV markets by Motion Picture Export Assn. of America, reported William H. Fineshriber, MPEAA vp, last week on his return from 6-week European tour. New groups, similar to those previously set up in Latin America, are in Paris, Rome, Frankfurt & London. Fineshriber reported increasingly favorable climate for TV film exporters as result of increasing set saturation, growing pressure for commercial TV, establishment of new TV stations & networks and rising costs of local production. He also cited growing support in Europe for U.S. sponsored clause in General Agreement on Tariffs & Trade seeking to promote increased fredom of movement for international trade in TV programs. Clause was endorsed last month by broadcasting council of EBU.

FM stereo programming will begin Aug. 1 on ABC's WABC-FM N.Y., AB-PT Pres. Leonard H. Goldenson announced last week. Station provides separate programming from its AM affiliate 6 p.m.-midnight daily, and plans to broadcast this full schedule in stereo, except for newscasts. It will be first FM stereo station to broadcast from antenna atop Empire State Bldg. Goldenson said acceptance of WABC-FM stereocasting may help determine future plans of ABC's 5 other owned FM outlets.

CBS-TV's offer of one-hour televised debate between N.Y. Gov. Rockefeller & Sen. Goldwater (R-Ariz.) was accepted by Rockefeller, declined by Goldwater. Latter turned down invitation of CBS News Pres. Richard Salant for appearance this summer on grounds it would contribute to party "disunity."

WBUD-FM Trenton notified FCC it stereocasts 24 hours daily, Mon.-Sat.—first round-the-clock schedule, according to Commission.

Tightened tall-tower rules are again sought by FAA. Last week, agency sent to broadcast industry copies of 2 "draft proposals"—inviting comments by Sept. 1. One is "Effect of Proposed Construction or Alteration Upon Aircraft Operation Under Visual Flight Rules," other is "Antenna Farm Area Criteria." FAA representatives have been meeting with FCC staff, reporting that farm idea is fine but that congressmen and aviation industry are pressuring FAA to limit all towers to 1,000 ft. According to one consultant, some tower proposals are being turned down on basis of the proposed rules, even though they haven't even been proposed formally, let alone finalized. Copies may be obtained from Federal Aviation Agency, 1711 New York Ave. NW, Washington 25, D. C.

Two political broadcasting bills introduced in House last week. HR-7550, by Rep. Slack (D-W. Va.), would amend Sec. 315 of Communications Act to eliminate statutory requirement of equal time. HR-7612, by Rep. Morse (R-Mass.), would also amend Sec. 315 by providing that whenever a legally-qualified candidate attacks any person on the air, that person is entitled to rebuttal to equal time used in attack.

Satellite status: (1) Telstar II went silent July 16; AT&T hadn't found out why, by week's end. (2) Non-TV Syncom satellite launch is set for July 24; it's to orbit at 22,300 miles. (3) FCC has granted most of the 120-odd applications from carriers to buy stock in ComSat Corp. (4) FCC has issued proposed rules for procurement for ComSat, invites comments by Sept. 23 (Docket 15123).

Cigaret smoking was labeled "severe hazard to health" by California State Dept. of Health. It said risk of dying of lung cancer is 14 times higher among cigaret smokers, that death rate from heart disease is twice as high as among non-smokers. Consumers Union report on smoking was published by Simon & Schuster last week. It attacks tobacco firms' advertising & merchandising policies.

Renewal denials of radio WKBL Covington & WHEY Millington, both Tenn., are recommended in initial decision by FCC Examiner Arthur Gladstone—on grounds of misrepresentation to Commission.

TV is best way to watch eclipse of sun, scientists advised at weeks' end. Naked eye view could lead to retina damage, public was told. All 3 networks planned coverage.

Hartford pay-TV adds "Eddie Fisher in Las Vegas," hour show videotaped at Desert Inn appearance. It will be seen on RKO General-Phonevision system Aug. 3 & 7.

Sale of WDBO-TV (Ch. 6) Orlando Fla., with AM & FM, to Outlet Co. for $6.1 million (Vol. 3:15 p5), has been approved by FCC.

Teaching through TV will be studied at West Chester State College (Pa.), through $174,000 grant by Office of Education.

Network TV guide—showing 1963-64 programs, sponsors, starting dates—has been prepared by Avery-Knodel, distributed to 1,400 agency & advertiser executives.

Yankee Network of 30 radio stations in 6 New England states celebrates 35th anniversary.

WRUL N.Y. is first commercial shortwave station to become NAB member.

New broadcast equipment catalog has been published by Gates Radio, Quincy, Ill.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

SYMPHONIC-VS.-NEC COULD SET PRECEDENT: Striking directly at business practices of old-line Japanese industrial giants, Symphonic's treble-damage anti-trust suit against Nippon Electric Co. & EIA of Japan may well become long-time cause celebre. With significance far beyond TV-radio industries, broadly worded document charges, in effect, that Japan's old established industrial interests, with their interlocking connections, violate U.S. anti-trust laws in their exports to U.S.

Suit is indirect result of celebrated "Spiegel incident" of last Dec., which aroused ire of Japanese TV industry when big Chicago mail-order chain offered 16-in. sets made by NEC for Symphonic at $79.95 & $99.95 (Vol. 2:53 p9, 3:2 p11). Symphonic suit, filed late last week in N.Y. Federal District Court, charges that NEC & EIAJ prevented it from acquiring Japanese TV sets "as punishment for having sold to Spiegel and as a warning to other American importers to adhere, and compel their customers to adhere, to the established Japanese price structure."

Named as co-conspirators but not defendants are 19 other firms which were members of pre-war Sumitomo Group, including TV manufacturers Hayakawa, Hitachi, Tokyo Shibaura (Toshiba) & Yaou Electric. Suit alleges increasing interlocking ownership & operation of these firms, including regular meetings & exchanges of executives. As result of this power and of monopolistic acts, says Symphonic, it was virtually frozen out of TV import market.

Symphonic's complaint gives this sequence of events surrounding Spiegel incident: Agreement between Symphonic & NEC was to have run for year from Nov. 1, 1962 with automatic renewal, both parties contemplating that Symphonic would buy "at least 50,000 to 100,000 TV sets" from NEC during 1963. Symphonic says it anticipated net profit of more than $1 million from first year of contract, more than $1.5 million from 2nd.

Symphonic's initial order was 15,000 sets, of which 9,000 were to be price-leader model, substantial portion to be resold to Spiegel. Price leader advertised by Spiegel at $79.95 was sold by Symphonic to Spiegel for $75.25 FOB Lowell, Mass., or San Francisco; $99.95 set was wholesaled at $80.30 FOB. Beginning in Jan. 1963, Symphonic charges, defendants conspired to make "example" of Symphonic to deter other U.S. importers from selling to price-cutters.

NEC used "vast economic resources & influence of the Sumitomo Group of enterprises" to boycott & exclude it from access to low-cost Japanese TV sets, forcing other Japanese TV makers to fall in line, and using "vast economic power & influence of EIA [of Japan] to this end," Symphonic charges. As result, suit alleges, Symphonic is now "unable to obtain any reasonable source of supply" for Japanese TV sets, it has lost customers, and defendants' actions "have virtually rendered Symphonic's TV business unprofitable & valueless."

In addition to treble damages under Sherman Act (amount not yet determined), 2 other claims seek damages for breach of contract against NEC's U.S. affiliates and parent Japanese firms. Symphonic's attorney is Milton R. Wessel of Kaye, Scholer, Fierman, Hays & Handler. Officials of defendant NEC N.Y. Inc. could not be reached for comment at week's end. Japan Trade Center officials in N.Y. declined to comment, since they had not seen complaint.

• • • •

First indication of how Japanese manufacturers intend to fight $99.95 U.S.-made TV sets came as Music Show opened, when Sharp Electronics (Hayakawa) introduced new version of its 16-in. TV at $89.95, slashing $30 from list price of previous leader model. Step-up model is $109.95. Sharp also announced it would enter 19-in. field with $129.95 set. At same time, it reduced prices of its battery TV sets, cutting 8½-in. model from $229.95 to $189.95 and 6-in. model from $179.95 to $169.95.

COLOR REPRICING—NOT TILL FALL: Those anticipated drop-in color price leaders at around $450 probably won't be visible at this week's Music Show in Chicago. Best bet, however, is that there will be some new leader models in fall from companies whose lines now begin at the $500 level.

Olympic last week joined those manufacturers with color sets starting at $450-mark, introducing 9-set color line with leader grained metal consolette at $449.95. Big surprise in line was color stereo combo (without radio) at $499.95, with step-ups (FM stereo & AM) at $619.95, $895 & $995. Previous lowestcolor combo, to our knowledge, was Curtis Mathes unit at $559.95. Among larger manufacturers, Magnavox had been lowest at $795. Step-up consoles in Olympic color line are $549 and 3 models at $695.

Most manufacturers showing color lines after Admiral tossed its $399.95 bombshell have priced their leaders at $449.95. Some of those which showed before Admiral had pointedly omitted metal-cabinet table model or consolette from lines, and it's believed eventual drop-ins will be in this category.

Here's color price-leader roundup as of this moment: $400 & below—Admiral, Curtis Mathes, Sears Roebuck (some retail stores). $450—GE, Motorola, Olympic, some private brands. $500—Emerson, Magnavox, Philco, RCA, Sears Roebuck (catalog), Sylvania, Zenith. Above $500—Du Mont ($599), Packard Bell ($650), Westinghouse ($525). It should be noted, however, that some makes (examples: Magnavox, Sears) include service policies and/or installation priced inboard, equivalent to $30-$50 reduction.

No immediate intention of lowering color prices or introducing new price leaders is being expressed by any of those manufacturers whose lines start in the $495-&-above bracket, so far as we can determine. But it's quite possible most of them have long-term plans to do so.

Variety of makes & models of color sets is constantly increasing. Muntz will begin shipment of color sets next month, its line consisting of 3 basic models—lowboy console and 2 combos, both including AM & FM stereo (list prices not yet firmed). Electrohome of Canada will show 5-set color line designed for U.S. market at Music Show, with metal consolette at $495, consoles at $649.50 & $795.50, combos at $995 & $1,395. Setchell-Carlson plans to introduce color set soon.

For other highlights of new products at Music Show, see p. 11.

WHO PAYS 'RETAIL' ANY MORE? Major factor in current agitation for Quality Stabilization legislation, Fair Trade, list price clarity, etc. is clear fact that within handful of years consumers of all economic & social strata have become conditioned to expect price concessions—and large & leaping numbers of them now shop until they get them.

Predecessor I-can-get-it-for-you-wholesale boys & other price cutters were annoyance to traditional retailers, but catered to relatively small & limited customer group. Modern discount stores, however, have taken stigma out of paying less than retail. Today, consumers who had only contempt & disdain for yesterday's cut-rate dealers swarm about advertised bargains of discount palaces.

That's essence of survey conducted by Opinion Research Corp. to determine, in part, if consumers today are paying retail or list prices with same frequency as 5-10 years ago. Here are some of the findings:

In metropolitan areas with million-plus populations, 52% of consumers now pay less than list more often than they did 5-10 years ago, compared with 27% who reported no change. In areas of 100,000 to 999,999 population, 45% buy at discount vs. 27% with no change. Even in small communities—under 100,000 population—discount buying rate is up sharply: 39% reported they now buy for less vs. 29% with no change. Over-all, 51% of consumers now compare prices in different stores more often, compared with 31% who reported no change in comparison frequency over past 5-10 years.

Questions relating to discount buying also were posed by Opinion Research to shopping leaders—"the active consumers who have shown most change in shopping behavior over past 10 years" by doing with greater frequency at least 4 of the following: pay less than list, buy imported goods, compare prices between different stores, make all purchases in one store, shop self-service stores.

Among these shopping leaders, survey found, 62% bought their last small appliance at discount price, vs. 33% who paid list & 5% who didn't remember. For their most recent major appliance purchase, 50% bought at discount, 49% paid retail, one didn't remember. Private labels also are more attractive to shopping leaders. Some 37% reported they now buy house brands more often than they did 5-10 years ago.

Traditional retailers who are hopeful that recent financial tremors & shakeout in discount industry will whittle competition will find little solace in growth figures reported by Opinion Research. By 1965, outlook is for total 5,300 discount store units—more than double 1961's 2,512. Of greater significance, discount store sales by 1965 are expected to more than triple to $15.6 billion from 1961's $4.8 billion.

• • • •

Discounters' "Giant 13" superchains—most of which sell TVs & radios—are growing rapidly in sales & size, according to mid-year analysis conducted by "Discount Store News." Study covered Arlan's, Atlantic Mills, Clark's, J. M. Fields, GEM, Interstate, K-Mart, King's, Korvette, Shopper's Fair, Spartan, Two Guys from Harrison, Zayre. Summed up report: "Final figures still are being totaled for the calendar half or comparable fiscal period, but the amalgamated pattern emerging shows volume running decisively ahead of a year ago on the strength of a sharp increase in number of stores. Profits, however, clearly reflect the traditional first-quarter doldrums, increasing competition, and the heavy attrition of non-recurring start-up costs for new stores . . . There's no lack of enthusiasm for a big late-year finish, however." Since first of year, these 13 giants added 33 new stores, plan 61 more by year's end.

Zenith has been actively pushing for Quality Stabilization bill both at Washington and grass-roots levels through its dealers & distributors. At its distributor group meetings last May, Zenith Sales Corp. arranged discussions of the legislation. Distributors, in turn, gave dealers "a personal selling" on the bill and asked them to contact Congressmen.

"We were actually assisting in this effort almost 2 years ago," says Zenith Sales Corp. Pres. Leonard C. Truesdell, who adds that company has contributed "sizeable sum of money" in campaign to achieve Quality Stabilization legislation. More than year ago, article by Truesdell favoring the bill was placed in "Congressional Record" by Rep. Holifield (D-Cal.).

INDUSTRY DOES DOUBLE-TAKE ON TINYVISION: Like it or not, tinyvision may yet turn out to be the hottest TV item of the year.

Competitors who once questioned salability of GE's 11-in. set starting at $99.95, now are questioning its reliability and its effect on standard-sized TV market. But they've stopped saying, "it won't sell"—because, fact is, it is selling.

We questioned substantial cross-section of TV manufacturing industry on what their intelligence systems had told them about reception of GE's 11-in. portable, and replies were unanimous: No question about it, it's selling. It seems, in fact, to have met far better consumer response than 16-in. did last year—not only pipeline-filling, but repeat orders already.

This doesn't mean manufacturers are enthusiastic about tinyvision. Many of them expressed fear that it will cut into full-size TV sales. Others felt good sales so far were based on novelty value and that no real potential exists after the "be-first-in-your-neighborhood" market is filled.

Emerson's 16-in. at $99.95 was frequently mentioned in same breath with tinyvision, as if the 2 were battling it out at marketplace. Actually, low-priced 16s will undoubtedly deflect some sales from 11-in. sets—but they're basically 2 different breeds of cat. For one thing, quantities of $99.95 sets being delivered by Emerson are unknown. For another, Emerson has whole line of 16s and 19s to sell up to, while GE is currently marketing only two 11-in. sets—$99.95 & $109.95. Therefore GE dealers who advertise tinyvision presumably want to sell it, but no dealer advertising 16-in. at $99.95 is going to be in hurry to close that deal when he has other 16s and 19s priced at up to $200.

"We're back-ordered everywhere," a GE official told us. He said production of 11-in. table model at $119.95 & TV-clock-radio at $149.95 have been postponed in effort to meet demand for $99.95 & $109.95 sets. Apparently, the key to sales is not magic price of $99.95, since GE says public is buying three $109.95 step-ups (colors, chrome trim) for every one leader model at $99.95. According to this GE spokesman, Philadelphia dept. store chain Strawbridge & Clothier sold 182 sets in 10 days.

GE also insists tinyvision isn't cutting into sales of other TV, but finding its own market as impulse or gift item. GE's market researchers interviewed 500 consumers who bought 11-in. sets and found "a substantial portion of these people hadn't been in the market for TV sets."

Only other manufacturer planning introduction of U.S.-made tinyvision soon is Admiral, whose "competitively priced" sets will probably be introduced next month or in Sept. Sears Roebuck will begin receiving 10-in. Toshiba-built sets in next few weeks, with 10,000 scheduled to arrive this summer. Sears says it hasn't arrived at price yet, and that it may offer them through its retail stores on selective market basis.

Mysterious quiet prevails among other U.S. manufacturers. There are no stirrings anywhere along supply lines to indicate that GE & Admiral will have any U.S. tinyvision competition remainder of this year. But it's good bet that design departments are working overtime.

Tinyvision sales will be watched very closely from now on by all set manufacturers, trying to find answers to these quesitons: Is it a fad? How high can it be priced? How cheaply can it be made? Is this a real market which can support many competitive manufacturers—or might it be left limp & lifeless by over-exploitation, like the 16-in. market?

TV-RADIO PRODUCTION: EIA statistics for week ended July 12 (28th week of 1963):

	July 6-12	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV	87,514	89,693	66,949	3,638,475	3,440,734
Total radio	252,805	239,739	268,524	9,110,552	9,794,472
Auto radio	92,950	111,313	117,629	3,991,591	3,480,472

Trade Personals

Donald C. Burnham elected Westinghouse pres. & chief exec. officer, succeeding **Mark W. Cresap Jr.**, resigned because of ill health. Burnham, former vp in charge of Industrial Group, also elected a dir.; **John K. Hodnette**, formerly exec. vp, named vice chmn., a new post; **Gwilym A. Price** continues as chmn.

Howard W. Hibshman, ex-Stromberg-Carlson, Magnavox & Hotpoint TV, resigns as Pilot Radio marketing dir. to become marketing vp of Water Refining Co., Middletown, O.

Robert L. Shaw, former pres. of Sylvania Home Electronics Corp. & ex-vp of Admiral & Du Mont Emerson, joins General Time's Westclox Consumer Products Div. as mktg. vp, hq in La Salle, Ill. He had been associated with Hupp Corp. for past 6 months (Vol. 3:25 p11).

William S. Hepner Jr. appointed EIA PR dir., succeeding **Robert T. DeVore**, resigned to join Washington bureau of Fairchild Publications.

William F. O'Boyle, former Symphonic Electronic gen. sales mgr. & onetime vp of Capitol Records' Phonograph Div., appointed Pilot Radio acting western regional mgr., covering 11 western states, hq on West Coast.

Richard M. Kelly, formerly Magnavox eastern sales mgr. for consumer products, rejoins Hupp Corp. as pres. of Easy Appliance Div.

Nat C. Myers Jr., formerly TelePrompTer vp, appointed communications products & services mktg. dir., Fairchild Camera & Instrument's Industrial Products Div., a new post.

James L. Von Harz, former Oak Mfg. administrative vp, joins International Resistance as Burlington (Iowa) Div. gen. mgr., succeeding **James Hollyer**, resigned.

Mortimer Rogoff appointed a vp of ITT subsidiary, ITT Europe & Data Systems Div.

Ed Stern named Webcor mktg. mgr., a new post . . . **James B. Hofer** appointed field service mgr. of Arvin Industries' Consumer Div., a new post . . . **W. R. Henn** appointed GE radio receiver dept. mktg. administration mgr., succeeding **L. M. Hodgkins**, named San Francisco district mgr.

Herbert C. Knortz elected ITT controller & a vp, succeeding **James F. Lillis** who died earlier this month (Vol. 3:28 p10).

Richard Lionetti, formerly Columbia Records phonograph sales dept., named merchandising dept. special products mgr., responsible for merchandising Columbia stereo magnetic tape cartridge, among other products.

Dr. Milton U. Clauser, ex-Space Technology Labs vp, & **Dr. J. P. Ruina**, MIT electrical engineering professor, appointed fulltime consultants, Communications Satellite Corp.

———■———

Distributor Notes: Sylvania names **Morris H. Housel Jr.**, ex-Magnavox, gen. sales mgr. for Chicago area, succeeding **Erwin J. Arendt**, appointed Chicago area district sales mgr. • **Emerson** appoints subsidiary **Emerson Radio of Maryland** distributor in Baltimore area for Du Mont home entertainment lines, succeeding **Shepherd Electric.**

FTC case against Jerrold, which had charged it with misrepresentation of its "TV Receptor" indoor antenna, has been dismissed "for failure of proof." FTC Chmn. Dixon wrote the brief decision. Examiner Joseph W. Kaufman, in Aug. 8, 1962 initial decision, had recommended dismissal of charges. Commission set aside his decision, saying it erred in one respect, but "we are not convinced he erred in dismissing the complaint for failure of proof." Examiner had discounted considerable testimony of expert witnesses, without justification, according to Dixon.

NEW AT MUSIC SHOW: Transistorization, FM stereo and unique new products will be sharing spotlight this week in Chicago at Music Show introductions. Among new items:

Westinghouse is showing 3 brand-new items: (1) Miniature all-transistor tape recorder at less than $40. (2) Transistorized automatic phono with drop-down changer which plays on 6 flashlight "D" cells or line cord, at less than $70. (3) Transistorized 3-piece FM-stereo-AM table radio in oiled walnut, with two 6-in. & two 4-in. speakers, at less than $200. Other Westinghouse introductions include 2 transistor stereo portable phonos at about $160 & $200, tube stereo phonos at $70 & $120, new transistor radio line ranging from $18 to $40, four 19-in. portable TVs, one TV-stereo combo.

Minnesota Mining will announce price reduction from $450 to $399 on its original 3M-Revere tape cartridge recorder and display new products reported last week (Vol. 3:28 p10) at these prices: Recorder-player deck, $339; tape player deck, $269; self-contained tape player, $329. 3M will start nationwide ad campaign for system this fall.

Sony will debut new color choice in its battery-operated Micro TV—silver—retailing at same $189.95 as original black model. Also being introduced by Sony are 10 transistor radios, including FM set about size of king-sized cigarette pack, at $39.95.

Saba of Germany will make another attempt to penetrate U.S. market through its factory sales rep, Lone Pine Electronics, Camden, N.J. It will offer TV combo with built-in uhf, short wave & FM stereo at about $1,400, including special feature which gives close-up of center of picture on screen, similar to Hoffman's old "zoom" feature.

Arvin this year is showing 3 FM-stereo-AM table models, all in wood cabinets, at $99.95, $129.95 & $169.95.

Another new FM stereo table model, with detachable speakers, will be premiered by **Panasonic,** along with transistorized tape recorder at $89.95 and new group of transistor radios. Panasonic also will show its new line of high-styled furniture stereo consoles.

Clairtone Sound of Canada will demonstrate new line of 16 all-solid-state stereo-phono-radio consoles plus 4 tube models.

Ravenswood is showing 4 new functional-furniture styles for which custom stereo components can be fitted—Gov. Winthrop desk, corner table, 2 chiffoniers.

Standard Radio has 3rd version of its tiny Micronic Ruby radio, at $49.95, and all-transistor portable FM-stereo-AM radio which can be operated on batteries or line cord.

———■———

Canadian TV-radio sales are running well ahead of last year, according to EIA of Canada, which last week released these distributor-to-dealer sales figures for May and first 5 months of 1963: TV—first 5 months, total sales 148,278, up 4.6% from 141,758 in same 1962 period; May, 28,468 sets, gain of 34.1% over 21,234 in May 1962. Radio—first 5 months, 195,489, up 5.4% from 184,406 in same 1962 period; May, 48,575, increase of 30.2% over 37,282 in May 1962.

Philco has installed "hot line" teletype connecting its distributors with its display at Music Show in Chicago, to expedite order-taking and to bring information from distributors to dealers attending show.

Mergers & acquisitions: ITT will acquire **Cannon Electric,** Los Angeles manufacturer of electrical connectors, for more than $33.6 million in stock, subject to approval of latter's stockholders. ITT would issue for each share of Cannon common 0.3023 share of ITT common & 0.05 share of cumulative preferred, with 4% dividend rate & convertible into ITT common at $60 a share • **Avnet Electronics** has acquired **Fairmount Motor Products (Canada) Ltd.** for 8,350 shares of common. Fairmount is subsidiary of Fairmount Motor Products, Philadelphia, previously acquired by Avnet. Latter also has acquired remaining 50% of outstanding stock of **Production Technologies,** Jamaica, N.Y., for amount not to exceed $500,000. Sum is to be paid over life of Production Technologies patent for making sheet-metal dies • **Vernitron Corp.** proposal to acquire **United Scientific Labs** (De Wald brand hi fi, stereo tuners, amplifiers, Citizen Band products) in stock exchange has been approved by boards of both firms. Vernitron, Farmingdale, N.Y., makes electro-magnetic servo components.

———■———

Westinghouse netted record first-half & June quarter sales (see financial table) and pushed mid-year volume across billion-dollar mark for first time. First-half earnings rose to $26.6 million from $25.5 million a year ago on sales climb to $1.109 billion from $957 million. June quarter profit improved to $14 million from $13.7 million on 6.7% sales gain to $529.8 million from $496.5 million. Newly-elected Pres. Donald C. Burnham (see p. 10) said first-half orders were up 8% over year earlier, order backlog up 17% at mid year.

Annual bargain-hunting event for retailers, Independent Housewares-Mass Merchandise Show in Chicago, saw further attrition in large-quantity prices for imported transistorized merchandise. Where lowest price deals for 6-transistor radios last year were slightly below $7 (Vol. 2:30 p9), this year they were $5.25-$5.50 (for Hong Kong-made merchandise). Low-end transistor tape recorders have dropped from about $16 to around the $10 level.

Ford Motor denied Automatic Radio Mfg.'s charges of anti-trust violations in sales of car radios (Vol. 3:28 p10), filed counterclaim for injunction to prevent Automatic from producing or selling any radio for Ford cars unless properly identified as made by Automatic. Ford alleges that Automatic makes radios similar in design to Ford types, identifies them as Automatic-made only with name on back which is not visible when set is installed.

Davega Stores, ordered into bankruptcy in April, has been formally taken over by Henry Modell & Co., which submitted winning $311,100 bid in May (Vol. 3:20 p14) for trademarks, name & assets. Eight Davega stores in N.Y.C. area have been added to Modell's 4-store N.Y. chain, with hq in Davega's former outlet in Hotel Commodore. Amalgamated chain is expected to produce first year gross "in excess of $30 million," Modell said.

Quality Stabilization legislation will pass in House and has very good chance of Senate approval unless opponents move vigorously, Rep. Celler (D-N.Y.) told recent meeting of National Assn. of Mass Merchandisers. "It will take vigorous efforts by organizations such as yours & by those who believe in a free economy to defeat these bills," he said.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Boston Herald-Traveler (WHDH-TV Boston)	1963—6 mo. to June 30	—	—	$ 576,000	$1.16	496,017
	1962—6 mo. to June 30	—	—	544,000	1.10[1]	496,017
Capital Cities Bcstg.	1963—6 mo. to June 30	8,281,528	—	961,555	.80	1,184,411
	1962—6 mo. to June 30	7,314,395	—	633,027	.52	1,184,411
General Instrument	1963—qtr. to May 31	24,183,152[2]	529,180	250,680	.10	2,570,401
	1962—qtr. to May 31	21,188,438	324,350	202,050	.08	2,561,342
Gross Telecasting	1963—6 mo. to June 30	—	—	344,637	.86	440,000
	1962—6 mo. to June 30	—	—	288,850	.72	400,000
International Resistance	1963—25 wks. to June 23	14,407,872[2]	1,513,393	743,393	.51	1,462,209
	1962—25 wks. to June 24	14,286,212	2,575,273	1,165,873	.80	1,462,209
P. R. Mallory	1963—6 mo. to June 30	50,070,047	4,096,807	1,946,582	1.20[6]	1,621,810
	1962—6 mo. to June 30	49,078,494	4,344,051	2,050,379	1.26[6 7]	1,501,941
	1963—qtr. to June 30	25,629,025	2,262,919	1,082,361	.67[6]	1,621,810
	1962—qtr. to June 30	24,571,785	2,074,589	976,058	.60[6 7]	1,501,941
MGM	1963—40 wks. to June 6	101,532,000	(25,088,000)	(12,338,000)[3]	—	2,574,629
	1962—40 wks. to June 6	104,718,000	7,058,000	3,308,000	1.30	2,554,229
	1963—12 wks. to June 6	31,418,000	—	(3,622,000)	—	2,574,629
	1962—12 wks. to June 6	33,952,000	—	755,000	.30	2,554,229
Muntz TV	1963—9 mo. to May 31	9,133,199	811,727	532,521	.36[4]	1,437,482
	1962—9 mo. to May 31	8,862,320	783,689[5]	783,689	.53[4]	1,409,982
	1963—qtr. to May 31	2,605,369	126,918	60,921	.04[4]	1,437,482
	1962—qtr. to May 31	2,605,027	182,800[5]	182,800	.12[4]	1,409,982
Pacific Industries	1963—9 mo. to May 31	21,291,697	—	(210,358)	—	1,827,239
	1962—9 mo. to May 31	17,784,684	—	606,091	.32	1,627,239
Westinghouse Story on p. 11	1963—6 mo. to June 30	1,019,546,000[2]	49,489,000	26,589,000	.72	36,003,292
	1962—6 mo. to June 30	956,971,000	35,814,000	25,514,000	.69	35,622,369
	1963—qtr. to June 30	529,804,000[2]	25,901,000	14,001,000	.38	36,003,292
	1962—qtr. to June 30	496,504,000	24,636,000	13,736,000	.37	35,622,369
Wometco Enterprises	1963—24 wks. to June 15	9,950,741	—	1,043,459	.72	1,438,968
	1962—24 wks. to June 15	8,915,101	—	916,197	.64	1,008,857

Notes: [1] Adjusted to reflect Jan.-1963 5% stock dividend. [2] Record. [3] After $12.8 million tax credit. [4] After preferred dividends & based on 1,437,482 shares outstanding May 31. [5] No income taxes required because of credits from prior years. [6] Based on 1,621,810 shares outstanding & after preferred dividends. [7] Adjusted to reflect Dec.-1962 2% stock dividend.

Common Stock Dividends

Corporation	*Period*	*Amt.*	*Payable*	*Stk. of Record*
Goodwill Stations ..	Q	$0.12½	Sept. 4	Aug. 21
Gross Telecasting ..	Q	.40	Aug. 9	July 25
Gross Telecasting—B ..	Q	.07½	Aug. 9	July 25
Hazeltine	Q	.20	Sept. 16	Aug. 30
Littelfuse	Q	.03¾	Aug. 1	July 15
Littelfuse	Q	.03¾	Sept. 18	Sept. 3
P. R. Mallory	Q	.35	Sept. 9	Aug. 9
Screen Gems	Q	.15	Sept. 27	Aug. 23
Scripps-Howard Bcstg.	Q	.25	Sept. 10	Aug. 22
Transcontinent TV..	Q	.12½	Aug. 15	July 31

Rollins Bcstg. has registered with SEC secondary stock offering of 166,376 common shares by majority shareholders Pres. O. Wayne Rollins & John W. Rollins, a dir. They will own some 68% of outstanding stock after sale. New York Securities Co. heads underwriting group.

C-E-I-R boosted sales 21% in the 6 months ended March 31, but "extraordinary" expansion & consolidation costs resulted in operating loss of $910,796.

Seven Arts Associated's TV sales produced $14,739,109 of total $19,407,905 revenue posted in 1963 fiscal year ended Jan. 31 (Vol. 3:24 p12). TV sales were up more than $2.5 million from year-earlier's $12,199,118. Seven Arts closed fiscal year with total current assets of $19,412,110 (including $505,226 cash & $9,088,322 notes & accounts receivable) vs. total current liability of $13,021,596. At end of 1962 fiscal, current assets totaled $16,887,608 ($498,488 cash, $6,646,097 notes & receivables) vs. $10,671,545 current liabilities.

Reports & comments: Capital Cities Bcstg., discussion, Rittmaster, Voisin & Co., 260 Madison Ave., N.Y. 16 • **CBS & Zenith,** reviews, L. F. Rothschild & Co., 120 Broadway, N.Y. • **RCA,** discussion, D. H. Blair & Co., 42 Broadway, N.Y. 6 • **Avco,** discussion, Paine, Webber, Jackson & Curtis, 25 Broad St., N.Y. 4 • **Lab for Electronics,** memo, Auchincloss, Parker & Redpath, 52 Wall St., N.Y. 5 • **Hitachi,** prospectus, Dillon, Read, 46 William St., N.Y. 5.

Universal Pictures will redeem, starting Aug. 30, its approximately 14,800 outstanding shares of 4¼% cumulative preferred stock. Redemption price is $104 a share. However, Universal's board also authorized quarterly dividend of $1.0625 a share, payable Sept. 3 to holders of record Aug. 15.

WEEKLY **Television Digest**

with

Consumer Electronics . . . (starts page 7)

NAB LIBRARY

JULY 29, 1963 NEW SERIES, VOL. 3, No. 30

The authoritative service for executives in all branches of the television arts & industries

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

THE LOEVINGER PHILOSOPHY. New FCC member's tart comments on cross section of Commission problems. Considers it 'pretty good agency' (p. 1).

DROP-IN ORAL ARGUMENT SET for Sept. 19. FCC grants KOCO-TV short-spaced move to Oklahoma City. Comr. Cox awaits final filings re his further participation before giving decision (p. 2).

GO-AHEAD FOR PINPOINT ETV granted by FCC. Final rules for point-to-point service in 2500-2690 mc band adopted, allowing for broad range of instructional uses (p. 2).

EDITORIALIZING CHANGES AT WORK: FCC issues interim clarification of fairness doctrine pending additional rules or primer. CBS offers draft bill to exempt equal time when candidate is attacked. Harris hints at need for legislation, rules (p. 3).

NIELSEN FAVORS AUDIT ONLY, sends NAB, clients, others, outline of design for rating audit, suggests CPA firm do it. It believes setting of standards is hazardous (p. 4).

Consumer Electronics

TINYVISION & IMPORTS are talk of Music Show as GE 11-in. draws crowds, and 12-in. competitors from overseas make appearance; some U.S. manufacturers seen importing small sets; transistor TV prices dropping, with low now $149.95, heading toward $99.95; Zenith introduces $449.95 color set; Arvin re-enters TV via imports (p. 7).

ALL-CHANNEL UPS & DOWNS: Meager attendance at Chicago dealer clinic—but Comr. Lee is hopeful. He may suggest excise-tax compromise —a 2-year moratorium until set-price differential disappears. CAB recommends CATV non-duplication (p. 8).

MUSIC SHOW HIGHLIGHTS coming competitive year, with new domestic & foreign entries in fine-furniture console field, FM stereo table radios blooming in profusion, new shirtpocket AM-FM imports, more TV sets; Magnavox introduces recorders, complete radio line (p. 9).

TV, PHONO SALES continue strongly ahead of 1962, unofficial first-half figures indicating b&w TV up 8%, while radio dipped 18% at distributor sales level; official 5-month figures show phono sales 25% above 1962 (p. 10).

THE LOEVINGER PHILOSOPHY: New FCC Comr. Lee Loevinger is nobody's patsy. He has experience. He has opinions. He's had substantial private legal practice. He's former member of Minn. Supreme Court. He's been Justice Dept. anti-trust chief. We talked to him at some length last week, elicited what we believe are most definitive views he has stated so far. Herewith are his comments on good cross section of FCC problems:

"The FCC is a pretty good agency. It handles some 750,000 applications a year. I don't think any other agency has as much. More delegation of staff can be made. Most problems are not controversial. Most of the controversial matters are in the broadcast field, but there are a few in any field. People on the outside do a lot of screaming, but it's because they have their own interests at heart."

"FCC has the habit of doing everything twice. As soon as you rehear a case, you have to rehear a dozen or a hundred more. I think there'll be a lot less of this. Lawyers always want to reargue. I don't blame them. I'd do the same thing. But the fault is ours. It reminds me of Justice Holmes' statement—that we must 'make concessions to the shortness of life.'"

"Am I tough on AT&T? In my first FCC meeting, my colleagues were ready to allow its charitable contributions as a regular expense. I made a reasoned argument and we voted 4-3 against it. FCC needs more facilities to regulate AT&T. It does all it can. We have as much manpower as one of 50 or 100 AT&T offices. It can outman us 10-to-1 on any issue."

"I've read Minow's letter to the President, suggesting that there be a single administrator setting policy and an adjudicatory court. There's nothing in Minow's letter of specifics. Nice ideals. Noble aspirations. But it makes no sense for an administrator to set policy. It's the job of an administrator to carry out policy. His idea is just the opposite of how govt. works. The President doesn't set policy. Congress does —and he carries it out. The routine is handled by an administrator."

"Size of FCC? Five members minimum, 9 maximum. Maybe a little more efficient with 5. The chairman has just about the right amount of power."

"It's very hard to generalize about FCC's programming powers. The 'public interest' standard is nothing more than a cheer—for home-loving, upright, good old American ideals. To some extent, it means that govt. has got to move on a case-to-case basis. I think the 1949 statement on 'fairness' is a pretty sound statement. I don't think FCC should go much beyond that."

"Suppose 10 applicants for a station in New York all want to put on Spanish-language programs —none English. I think we have a right to expect someone to put on English."

"I don't agree that asking questions is the same as making accusations or interfering. On income tax, asking questions isn't an accusation. How else can FCC know what's going on? Should FCC & its staff monitor everything? Should FCC blind itself to what's going on? I believe we shouldn't try to influence programming. However, we shouldn't be wholly indifferent to what's being broadcast. It's like all legal problems. Nothing is completely unlimited—like Justice Holmes' statement about yelling 'fire' in a crowded theater. But we should use restraint."

"I believe that the greatest diversity of ownership of stations is best—other things being equal. I tend to favor those with fewer communications interests than those with more. But you can't come in and say that one can't own more than one station. Which is more concentrated—five 250-watt stations or one 50,000-watt? I don't know yet. My inclination is to think that the five 250-watters are better. But I need a specific situation to judge. I believe in local single ownership—other things being equal."

"Regarding CATV & stations, since a station is an originating point I would think that the station is more socially desirable. But I haven't given it enough thought yet."

"I think the expression 'local live' is an anachronism, an absurdity. I understand when something is 'local,' but is it 'live' when it's broadcast as it happens? If something 'local' happens when few people can watch it, doesn't it make more sense to record it and broadcast it when there's an audience? I'd like to see that cleared up."

There you have the flavor of Lee Loevinger. We think he'll add spice to the proceedings on Pennsylvania Ave.

DROP-IN ORAL ARGUMENT SET: That tight issue of whether to add vhf channels to 7 more cities, at short spaces, goes to FCC oral argument Sept. 19, some 3-5 hours devoted to it. Action hasn't been announced yet, but it's understood Commission believes argument is best way to wrap whole thing up finally —and to give new Comr. Loevinger fullest opportunity to come to grips with case in which he'll probably have deciding vote.

Commission also voted short-spaced move of KOCO-TV (Ch. 5) Enid to Oklahoma City, over vigorous opposition of MST & others. This hasn't been announced yet, either, will be released this week.

Whether Comr. Cox will participate further in drop-in case won't be known definitely until FCC returns after Aug. recess. Parties get 13 days to oppose MST's motion that he withdraw (Vol. 3:29 p5). If any of you wonder why there's so much to-do about 7 channel assignments—answer is simple: Each CP is automatically & almost immediately worth millions, each being 3rd vhf in a substantial market.

GO-AHEAD FOR PINPOINT ETV: New point-to-point ETV service in 2500-2690 mc band has been finally established by FCC, effective Sept. 9, in time for new school year. Full text of rules should be available soon, but Commission's announcement makes it clear that service will have substantial flexibility, allowing more than straight school-to-school teaching.

NAEB Pres. William Harley commented: "I think there will be quite a demand. It's more limited than broadcasting, but it will be a valuable supplement. I believe that Minneapolis & Boston are among locations where educators are among the most active in this area."

Stations will be 10 watts normally, though more will be granted in special cases. Service is in band now used by "operational fixed stations"—but there are only about 90 of these; no more such will be granted for 3 years. Said Commission regarding new service:

"Systems . . . licensed for this purpose may also be used for other incidental purposes among which are the transmission of cultural material and entertainment to these same receiving locations; the transmission of special training material to selected receiving locations outside the school system, such as hospitals, nursing homes, training centers, clinics, rehabilitation centers, commercial and industrial establishments, etc.; the transmission of special material to professional groups or individuals to inform them of new developments and techniques in their fields and instruct them in their use; and to perform other related services directly concerned with formal or informal instruction and training. When not being used for such purposes, the facilities licensed under these rules may be used for handling administrative traffic of the licensee, such as the transmission of reports and assignments, conferences with personnel, etc.

"Stations licensed in the new service may also be used to relay material to and from commercial and noncommercial TV stations, but not to interconnect TV fixed systems in different areas, or to establish relay systems to cover an entire state or large portion thereof. The rules permit the retransmissions of programs of other broadcast stations, subject to the usual requirement for consent of the originating station. Any portable pickup needs by educational institutions licensed under the new rules can be accommodated by authorizations in the Business Radio Service."

EDITORIALIZING CHANGES AT WORK: Repercussions of House hearings on editorializing (Vol. 3:29 p3) resounded last week:

(1) FCC called attention to "affirmative obligation" of licensee to present contrasting views, under fairness doctrine. (2) CBS submitted draft of legislation to exempt equal time requirement when candidate responds to political editorial. (3) Rep. Harris (D-Ark.) said there may be need for clarifying legislation and/or rules on editorializing.

FCC statement on controversial programming said it's considering "primer or rules" that might better define a licensee's responsibilities than does fairness doctrine. For time being, Commission offered these basics: (1) In cases of on-air attack against individual or group, text of broadcast must be transmitted with specific offer of time to respond. (2) When commentator or person other than candidate takes partisan stand, transcript of program must be sent to each candidate concerned with offer of opportunity for "spokesman" to respond. (3) In airing views on current issues, such as segregation, licensee must present balanced views from all responsible community groups. FCC cited specific need to air Negro leaders' views if other racial positions are expressed.

CBS's proposed legislation would add 5th exemption to Sec. 315 of Communications Act. Effect would be to allow a candidate himself to respond to editorial against him, or in favor of opponent. Broadcasters argued at House hearings that, under present law, all other candidates are entitled to time once aggrieved candidate appears. Stations presently try to get spokesman instead of candidate, to avoid equal time merry-go-round.

On fairness doctrine, Rep. Harris (D-Ark.) said last week that Congressmen "might" want an amendment to Communications Act "to assure fairness to politicians" in editorials. He said this would be "their second and probably wiser choice" after realizing that their first choice—prevention of political editorials—"might be attacked in the courts."

Harris told National Broadcast Editorial Conference, sponsored by Georgia Assn. of Bcstrs. & U. of Georgia journalism school, that office-holders are "apprehensive" about broadcast editorializing—not because of lack of trust in broadcasters, but because of "powerful" influence of TV-radio.

"I can assure you, however, that politicians . . . may object to having their 'rights' of answering broadcast editorials depend on the discretion of broadcasters," Harris exclaimed. He said Rep. Moss's (D-Cal.) bill to provide a candidate equal opportunity to answer political editorial has "difficulties" that would have to be corrected if legislation were to be enacted.

Not abandoning idea of rules, Harris stated that while they "may be difficult to lay down hard and fast . . . we must nevertheless strive to do so."

He said he's "strong advocate of broadcast editorializing," stated that in no other area do broadcasters & regulators walk a "tightrope" as they do here. It stretches, he stated, between First Amendment & Sec. 326 of Act (prohibiting censorship) on one end, licensed to serve public interest at other.

Adequate editorializing staff isn't "meaningful" answer, Harris said. A "juke box" station that doesn't discuss public issues isn't equipped to editorialize even if it hired a qualified person to do it, Harris stated. He also said that where editorial is written by outside service or source, it should be so identified.

In letter to constituents last week, Harris offered proposal: Let station present factual outline of both sides of issues, then give opinion. It would give editorials more stature, lessen complaints, he said.

History of editorializing was provided Conference by Dr. Mary Ann Cusack, special asst. to NAB Pres. Collins. She told how editorializing evolved from increased news & public affairs programming, said such views provide "reasoned interpretation of current events," rather than only isolated facts of news story.

Rep. Cleveland (R-N.H.) supported editorializing in House last week—"subject to reasonable rules and regulations . . . the more information and opinions [people] can get the better."

NIELSEN FAVORS AUDIT ONLY: Nielsen gave NAB Rating Council what amounted to qualified approval to idea of rating service audit. It didn't comment one way or the other on standards & methods improvement phases of NAB reform plan—except to say these contained "complexities" & "difficulties."

Researcher picked unusual way to reply to NAB's request for final endorsement. It sent assn.—as well as AAAA, ANA, Advertising Research Foundation & all clients—detailed 16-page outline of an auditing system. It contained carefully thought-out design for operation & financing of audit.

In essence, here's what Nielsen is saying: It favors idea of audit, believes one can be put into effect almost immediately. It doesn't like idea of "industry committee" setting standards & criteria or trying to improve research techniques. It believes these areas are hazardous.

Nielsen's audit proposals are in form of suggestions, company spokesman emphasizes. They aren't "hidebound" principles but are intended as something to "build on."

NAB was studying proposal at week's end. Don McGannon, Group W pres. & NAB Research Committee chmn., told us Nielsen's suggestions would be "very helpful." He said prior conversations with Nielsen officials indicate a "qualified yes" to NAB's rating plan. McGannon also said he will be in Chicago today (July 29) and expects to see top Nielsen executives. Most other major research firms have already given approval to NAB plan (Vol. 3:29 p2).

Nielsen proposes audit be done by CPA firm, under non-profit industry committee of advertisers, agencies, networks, stations, researchers. Company, it's understood, isn't so interested in committee membership issues as it is in assuring acceptance of a single audit by these groups.

Subjects of audit would be designated in advance, but auditor wouldn't have to disclose date or period of audit. Financing proposal: (1) Researchers would pay internal cost of audit—record-keeping, executive & clerical salaries, electronic data processing. (2) Users would pay auditing fees, printing & distribution of reports. Nielsen said raters' costs would be greater, repeated view that broadcast audience research is "generally unprofitable business."

In other developments last week, RAB appointed Dr. Alfred N. Watson as advanced research dir. to handle proposed $200,000 radio methodology study, to be conducted by Audits & Surveys Co. He also will undertake new studies of advertising effectiveness. Dr. Watson, at one time exec. vp of Alfred Politz Research & asst. chief statistician of Census, will continue to teach at Columbia U. CCNY's Dr. Herbert Arkin, consultant to Harris Subcommittee, advised RAB during earlier stages of methodology plan.

RAB also announced that Advertising Research Foundation will begin examination of research study this week to assure ad community acceptance. Bureau also said that NAB officials will receive within 10 days a "full written description" of radio proposal to help them in deciding on co-financing of project with RAB. NAB expects to make final recommendation by mid-Sept.

ARF last week released procedure analysis of magazines study conducted by W. R. Simmons & Assoc. Research. In doing so, ARF said it's "prepared to analyze any syndicated advertising research service, regardless of the medium involved." This would be similar to NAB's auditing plans, although ARF Pres. Alcuin Lehman told us he doesn't prefer term "audit" because it suggests a procedure less comprehensive than "analysis." Lehman also said ARF is studying Nielsen's audit proposal.

Tennessee Bcstrs. Ring D. C. Doorbells: General support for industry position against FCC's proposed commercial limitations was reportedly expressed by Tennessee congressional delegation last week. Legislative committee of Tennessee Assn. of Bcstrs., headed by F. C. Sowell, WLAC Nashville, came to Washington to meet with delegation and explore regulatory problems facing industry.

Sen. Gore (D) & George Miller, aide to Sen. Kefauver (D), were among those who attended a breakfast meeting. Paul Comstock, NAB govt. relations vp, accompanied TAB representatives.

North Carolina Assn. of Bcstrs. plans to call on its congressmen Aug. 13-14. Pres. Jack Starnes, WBAG Burlington, said about 15-20 broadcasters will make trip. Group will split into 2 teams, will emphasize commercial ceiling issue. "FCC has eaten away a little bit at a time. It's time to start at the top," said Starnes.

———■———

FTC case against Sterling Drug, over alleged false ad claims, should be dismissed, examiner recommended last week. He found that company's Bayer aspirin ads didn't misrepresent findings of govt.-contracted study comparing 5 analgesics. Ad stating that report was published in *AMA Journal* doesn't suggest endorsement, ruling held. Dismissal order also would involve 2 agencies —Thompson-Koch, subsidiary of Sterling, and Dancer-Fitzgerald-Sample. Injunctive proceedings were earlier denied by U.S. District Court & Court of Appeals.

Communication Satellite Corp. was accused by FCC of dragging its feet on plans for public sale of stock. In authorizing ComSat to borrow additional $600,000, Commission said corporation is making decisions that Congress intended to be made by complete board that would include representatives chosen by stockholders. Initially, stock was to be offered in 1963. It's reported that stock issue is being held up pending further development work on satellite systems.

FM freeze will be lifted in 60 days, as detailed in our advance report (Vol. 3:29 p2)—FCC adopting recommendations of staff. Full text of decision, with city-by-city channel assignments, is due to be released this week. It will be published in *Federal Register* and by Seabrooke Printing Co. (FCC contractor), 514 10th St. NW, Washington.

Two new ETV applications filed with HEW, for federal funds: U. of Georgia to expand Ch. 8 facilities, seeking $136,110 of $181,479 total cost; San Mateo Junior College District to activate Ch. 14, asking $122,-991 of $235,544 total. This makes 14 applications requesting $2,594,734.

Kennedys in action while handling Alabama racial crisis last June will be seen "soon" on ABC-TV hour-long documentary. Exchange between President & Attorney General is described as "good inside stuff," was filmed by Robert Drew Assoc.

Two Cleveland translators, Ch. 81 & 83, have been granted to repeat signals of midwest airborne ETV transmitters near Montpelier, Ind., to give adequate reception in the Ohio city.

New Ch. 8 WGHP-TV High Point, N.C. will be primary ABC-TV affiliate when it starts Oct. 1.

Anti-TV stand of National Council of Churches was attacked last week by Carleton D. Brown, WTVL Waterville, Me. In letter to J. Irvin Miller, Council pres., Brown said he was "shocked" at suggestions favoring increased federal control over broadcasting, licensing of networks, etc. He claimed only 61 of 200 Council board members were present to vote on policy, said the governing board refused to discuss issues with industry before adopting policy, called attention to contributions of broadcasters to church interests.

Second annual CATV management institute will be held at U. of Wisconsin, August 12-15, sponsored by National Community TV Assn. It will cover on separate days: Management controls, financial controls, customer relations, community relations. Among speakers: Prof. Norman Allhiser, U. of Wisconsin's management institute dir.; Franklin Valentine Jr., Dallas attorney; Rayburn Hahn and Louis Stow, Dallas accountants; Jay Beecroft, 3M's sales training dir.; Kent Moore, retired independent gasoline distributor.

TV-radio specialists from 21 African & Asian nations will attend 3-month seminar, starting at Brandeis U. Aug. 4, to receive "some guidance in the effective use of this rather complex instrument, particularly for educational purposes," according to Henry Morgenthau III, director of seminar. For first 35 days, specialists will attend meetings at Brandeis, followed by 45 days of travel in U.S., concluded in late Oct. with 10-day windup at Brandeis.

Revocation of radios WKYN & WFQM San Juan and WORA-FM Mayaguez, P.R.—or $10,000 fines—is proposed by FCC. Commission said that stations sought and were refused right to rebroadcast programs of N.Y. Armed Forces Radio Service—but rebroadcast them anyway, seeking to give impression they came from MBS. Commission said this seems to be "willful & repeated violations of Sec. 325(a) of Communications Act."

Remarkable roundtable—one of the most candid we've seen on the subject—is symposium of leading TV producers, conducted by *TV Guide* Editor Merrill Panitt and carried in July 20 issue. They let down a lot of hair, talking about quality, outside interference, critics, politics, ratings, etc. Participants: Norman Felton, Paul Henning, John Houseman, Roy Huggins, Herbert Leonard, Leslie Stevens.

Application for pay TV test in Sacramento, filed with FCC by MELCO Pay TV Co. & KVUE (Ch. 40), which has been off the air since March 1960, was returned by FCC as deficient in several respects. Commission said deficiencies include fact that sole funds for test were to be raised by sale of stock without any assurance stock could be sold.

Application to transfer WAFG-TV (Ch. 31) Huntsville, Ala. from P. T. Gunn, James R. Cleary, John A. Higdon and associates to Smith Bcstg. Inc., for $509,775, has been filed with FCC. Smith Bcstg., owned by M. Davidson Smith III, operates radio WAAY Huntsville, holds CP for WAAY-TV (Ch. 25) there.

Ch. 11 has been proposed by FCC for Staunton-Waynesboro, Va. Commission said area can use another vhf station, but it seeks comments on impact to future of uhf—and to radio astronomy operations at Green Bank & Sugar Grove, W. Va.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington 6, D. C
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

TELEVISION DIGEST. Published Mondays. Services: $75-$150 annually. For group rates & other subscription services, write Headquarters.
TELEVISION FACTBOOK Published Annually
TV & AM-FM ADDENDA Published Saturdays
AM-FM DIRECTORY Published Annually

TV has increased understanding of mental illness—that it's as "curable as ulcers and no more shameful," stated Dr. T. Glyne Williams, Maryland asst. mental health comr. He said that TV is responsible for 16.7% increase in admissions to state mental hospitals, that patients are being admitted today at early stages of illness.

RAB 1963 Management Conferences called "most important" in RAB history, by Pres. Ed Bunker: Sept. 9-10, Hot Springs, Va.; Sept. 12-13, Atlanta; Sept. 16-17, Dallas; Sept. 23-24, Saratoga Springs; Sept. 30-Oct. 1, Chicago; Oct. 3-4, Palo Alto; Oct. 7-8, Omaha; Oct. 14-15, Detroit.

AAAA's recommended standards for categorizing demographic data have now been released. Anticipating growing use of computers, AAAA said standards answer need for comparable information from all media on households, individuals within households, household heads, housewives.

Transcript of Pacifica Foundation hearings by Senate Judiciary Committee (Vol. 3:3 p6), examining charges of "communist infiltration," has been released—available in 3 parts from Committee or GPO.

WAST Albany switched from Ch. 35 to 13 July 27, using new tower at reduced power. Station had been operating on both channels, will go to full vhf power about Aug. 17.

Its first TV client—KBMT Beaumont-Porth Arthur—has been obtained by rep Roger O'Connor Inc. Firm reps 8 radio properties.

Skyline Films Inc. is new film production firm, 124 E. 40th St., N.Y., headed by Pres. Joseph F. McDonough & Vp David Saperstein, both ex-Craven Film Corp.

Personals

James C. Hagerty, ABC vp in charge of news, elected vp in charge of corporate relations, parent AB-PT, no successor yet named.

Ray Scherer, NBC White House correspondent, assigned to Congress, succeeding **Arthur Barriault**, appointed broadcast liaison officer, Office of Emergency Planning; **Robert MacNeil** succeeds Scherer.

John Edwards, ex-ABC senior Washington & White House correspondent, appointed bureau mgr.-correspondent, new CBS-owned TV station's news bureau, hq National Press Bldg.

John F. Dille Jr., WSJV-TV Elkhart, & **Carleton D. Brown**, radio WTVL Waterville, Me., appointed NAB membership committee co-chairmen . . . **Gene King**, ex-radio WCBS N.Y. program dir., named vp, World Wide Information Services.

Al Perlmutter, a former program mgr. of WNBC-TV N.Y., joins NET as exec. producer of weekly news background program which begins on the 72-station network Oct. 7.

Martin Levy promoted to chief, FCC's Broadcast Facilities Div., succeeded by **Harold Kassens**, chief of Aural Facilities Branch.

John F. Gault, ex-Elmira, N.Y. CATV mgr., named regional mgr. of TeleVision Communications Corp. (formerly Televents Corp.), multiple system operator.

William J. Fahey, ex-Boston *Herald-Traveler*, appointed merchandising & sales coordinator, WNAC-TV-AM Boston & Yankee Network . . . **Tom Burkhart**, ex-local sales mgr., WTVJ Miami, named gen. sales mgr., WLOS-TV Asheville, both Wometco stations.

Albert Chance, ex-head of own rep firm, named San Francisco mgr., rep Ohland/Robeck; **Shaun Murphy**, ex-KTVI St. Louis sales mgr., appointed Chicago mgr.; **William Gorman**, ex-RKO-General West Coast syndication film sales mgr., named N.Y. account exec.

Paul Raymon promoted to gen. sales mgr., WAGA-TV Atlanta, succeeding **Buzz Hassett**, who resigns Aug. 15 to become asst. gen. mgr. of WGHP-TV Greensboro-High Point, N.C.; Raymon is succeeded as local sales mgr. by **Charles J. (Chuck) Lupton.**

Jack Sobel, national sales mgr., Screen Gems, moves to Hollywood as national sales mgr., West Coast . . . **Arnold Starr**, ex-WNBC-TV N.Y. account exec., appointed vp & adv. mgr., *Radio-TV Daily*.

International TV's creative aspects will be explored through new International Council & Academy of Television Arts & Sciences, founded by National Academy of TV Arts & Sciences. Playwright Rod Serling & Ted Cott of Oakland Producing Ltd. will serve as pro tem chairman & pro tem president, respectively.

Syria invites TV equipment bids by Aug. 15 for 2 stations, including 300-ft. towers. Write General Directorate of Broadcasting & TV, Damascus; copies of specifications are at Electronics Div., BDSA, Dept. of Commerce, Washington 25.

Jamaica Bcstg. Corp.'s new TV station plans to start 4-hour daily schedule on Aug. 4, is now testing. JBC-TV will use 3 transmitters in effort to cover most of island.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

TINYVISION, COLOR, PORTABLES—COMPETITION: Last week's Music Show in Chicago dramatized the 3 most important areas in TV's battleground—tinyvision, portables & color. Most significant trend in all 3 was fierce competition.

Competitive price-cutting is understandable in international tinyvision-portable race. But in color, where there's no competition from abroad and where nearly every manufacturer expects demand to exceed supply for foreseeable future, it's slightly more puzzling.

Zenith made anticipated move last week when it put back into its line a black color table model at $449.95, at same time adding 2 more consoles at $499.95. Other makers who still start their lines at $499.95—including RCA & Philco—can be expected to go along with their own drop-in programs by fall. There have already been some other minor movements in color field. Philco changed its $495 color leader from table model to console, as if making room for new leader; Westinghouse unofficially labels its color leader (introduced at "less than $526") as under $500.

Color set makers who have $449.95-list price leaders were emphasizing to prospects at Music Show that these could be sold at $399.95 with markups similar to Admiral's $399.95 leader, but that they weren't going to tie dealers to that price by using it as suggested list.

If there was one really "hot" TV product at Music Show, it was tinyvision—quite interesting, in view of fact that only yesterday this was unimportant specialty item left to foreigners. GE's display space was keyed to 11-in. sets at $99.95 & $109.95, plus the 2 other step-ups, now due in fall.

Japanese manufacturers & importers, meanwhile, were fighting to enlarge their foothold both in tinyvision & larger-size portable TV, and they made it clear that price would be one of their weapons. Among American-made portables, there were further price reductions, Admiral showing 19-in. at $129.95, Magnavox at $139.90—each $10 below previous low-end 19.

Admiral displayed its 11-in. set (due late in Aug.) on 3rd day of show, and there were plenty of other tiny models shown—by importers. New size made its debut—12-in.—and there was talk by some U.S. manufacturers of using it to compete with GE's 11-in. Since this is Japanese tube, and no U.S.-made 12-in. is in sight, it seems correct to speculate that some U.S. set makers are considering going abroad for their small sets.

Furious competition is beginning to evolve in battery-operated transistor TV, although no U.S. manufacturers are in field yet. Sony had this market practically to self for some time, but 6 Japanese manufacturers are now making various micro TV sizes, and there may be as many as dozen makes on U.S. market by year's end. It also seems obvious that transistor TV is rushing headlong toward $99.95 mark—from $249.95 a scant year ago.

Three different makes of battery TV were shown with $149.95 list—Delmonico's 4½-in. set, which will soon be redesigned into configuration which can accommodate uhf tuner (with current 5½-in. set to be eliminated from line), Star-Lite's 6-in., due for Sept. delivery, Commodore's 5½, whose $149.95 price will include battery pack. Sharp's new prices—$189.95 for 8½-in. & $169.95 for 6-in.—were reported here last week (Vol. 3:29 p7). Sampson showed both 8- & 12-in. battery TVs to get "reaction," gave no prices or delivery dates.

Much of TV talk at show surrounded Sharp's 16-in. bookshelf set at $89.95, with step-up at $109.95, and new lightweight 16-in., in design somewhat similar to Philco Courier, also $109.95. Among other new imported TVs shown were Delmonico square-cornered 9-in., replacing 8-in., at $99.95 (remaining 8-in. sets have been cut to $89.95), Sampson's 16-in. Hitachi at $119.95, Sharp's 19-in. at $129.95, and two 16-in. consolettes with legs—by Star-Lite at $119.95 and by Peerless Telrad at $149.95. Sharp plans 12-in. set this year listing below $100. Tokai Corp. showed 9-in. designed to sell at about $89.95.

Probably most significant entry into TV field is return of Arvin—via import route. Without fanfare, Arvin showed attractive 16-in. set, priced at $119.95 including labor warranty, to be handled through company's regular 2-step distribution. TV product mgr. Frank J. Myers said it was engineered by Arvin & built by Hitachi with UL requirements in mind (although it's not UL listed), with such American features as keyed AGC. He said it's predecessor of "portable specialty line," which eventually may include 2 sizes of transistor TV.

What will evolve out of this proliferating competition & confusion? We see the U.S.-Japanese TV battle intensifying in months to come. We see more U.S. manufacturers joining tinyvision race, some of them fighting imports with imports. We see U.S.-made transistor TV before end of 1964. We also feel there'll be slight reversal in race to smaller sizes, with transistorized 11- & 12-in. sets becoming popular, alongside 5½- & 6-in. versions.

And whichever way you look, there's sharp competition ahead. (For more Music Show coverage, see below & p. 9.)

ALL-CHANNEL UPS & DOWNS: FCC Comr. Lee is hopeful about efforts to nurture growth of uhf, though recent clinics for dealers, including one in Chicago at NAMM convention last week, certainly didn't get much attention.

After last week's executive committee meeting of Committee for Full Development of All-Channel Bcstg. (CAB), he told us no more clinics are scheduled. Meanwhile, he said, he's going to FCC with recommendation it fight for excise-tax repeal, to offset the $20-$30 increase in set costs produced by addition of uhf. "Perhaps," he said, "we can propose a compromise—a 2-year moratorium until the cost differential disappears. Most of the larger manufacturers tell me it's down to $20 now, instead of the $30 originally reported.

"Manufacturers are concerned about FCC vacillation on drop-ins. They're selling combination sets in the proposed drop-in markets, telling the customers there will be uhf stations. They don't want to disappoint them."

Executive committee also adopted recommendation on CATV—urging FCC not to allow duplication of stations' programs within their Grade A contours. Committee also decided to work up a pamphlet on uhf & all-channel sets, to be distributed by GPO at 10¢ or so.

With U-Day only 9 months away, manufacturers' attitude can best be described as one of quiet desperation, dealers are unconcerned—and public is in the dark.

CAB's attempts to educate dealers to date have been ineffective—climaxed by fiasco at NAMM Show, where attendance at all-channel panel was estimated at little more than 100, mostly manufacturers & press, with scattering of representatives of large chain-store & key-account groups. Panel discussion was informative, but uninspired, and some members appeared to be doing slow burn as result of meagerness of turnout.

Lee said he's "not too bullish" about chances for excise proposal, which has died in every Congress since 1954; he said there are now 3 additional arguments in its favor: (1) It should be "companion piece" to all-channel legislation. (2) Threat of imports makes it more important to aid domestic TV industry in keeping prices down. (3) There may be danger of new TV plants becoming established in many states to take advantage of intrastate shipment, which doesn't come under all-channel law. "If the differential between vhf & all-channel is too large," he explained, "I'm sure that small manufacturers will be born to assemble vhf-only sets for intrastate shipment."

Should CAB & industry take case directly to public, bypassing the indifferent retailer? There seems to be some support for this approach, but set makers shy away from unified campaign if it's going to cost them money. Detailed proposal for $100,000 campaign, prepared by outside promotion agency, was tabled by EIA Consumer Products Div. Exec. Committee last March in Washington (Vol. 3:12 p7), now seems dead.

Govt.-financed drive would be something else again, but Lee poured cold water on this prospect last week. At Music Show news conference, he said he would be willing to try to get appropriation for

it if committee recommends such a drive, but "it would be extremely difficult to get anything like that through Congress."

During the NAMM clinic, Lee said that uhf CP-holders who procrastinate will be "pressed quite hard in the next few months." He ventured that uhf set saturation in 3-4 years will make station operation "economically feasible."

Technical members of panel went over much of same material covered in similar N.Y. & Washington clinics—how to find best signal, master antenna conversion, landlord trouble, etc.

TV-RADIO PRODUCTION: EIA statistics for week ended July 19 (29th week of 1963):

	July 13-19	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV	104,071	87,514	94,133	3,742,546	3,531,620
Total radio	261,989	252,805	295,773	9,372,541	10,087,841
Auto radio	84,004	92,950	116,182	4,075,595	3,586,826

MUSIC SHOWPIECES: Far more competitive 1964 is in store, judging from wide variety of new products displayed last week at Music Show in Chicago.

In fine-furniture stereo consoles, for example, several new U.S. firms are entering field to compete with already established manufacturers. In addition, at least 4 Canadian firms are seriously bidding for share of this market, and 2 companies have introduced hybrid Japanese-American console lines—Japanese electronics mounted in attractive U.S.-built cabinets.

In radio, FM was becoming a star performer. Virtually every manufacturer & importer displayed at least one FM-stereo table radio, the most popular configuration being 2- or 3-piece wood-cabinet bookshelf design. High-powered battery-operated portable FM-stereo units from Japan (with as many as 25-38 transistors) are beginning to show up. And at least 4 importers showed shirt-pocket AM-FM radios at prices around $40 & above.

In TV, there was increased import activity, both from Japan & Canada, while German attempts to crack U.S. market have been virtually abandoned (except by Saba, which again showed projection set & 23-in. combo, both at $1,400).

Tape recorders in all categories are increasing, and beginning to show up as features in many high-end stereo consoles.

Magnavox introduced large quantity of new items, including: (1) Its first tape recorders—mono at $139.90, transistorized stereo unit at $298.50. (2) Brand new extensive radio line of 15 sets, all with 90 days labor warranty, from $19.95 AC-DC set to $125 two-piece AM-FM-stereo, and including Magnavox's first FM-AM clock radios. (3) Four stereo component systems featuring Astro-Sonic solid-state circuitry at $450-$650, with low-end units at $139.90 & $189.90 also transistorized. (4) Three color consoles, 2 with remote, at $695, three b&w combos and new 19-in. portable at $139.90.

Zenith brought out 3 new color sets at distributor meeting July 23—new low-end at $449.95 (see page 7) and 2 consoles at $499.95—plus 19-in. portable at $179.95 & open-list 23-in. console. New Zenth stereo consoles are $149.95-$249.95.

Pilot's line includes 9 new consoles, bringing its range to $300-$2,000. Vp-Gen. Mgr. Roland J. Kalb announced "intensive campaign for restoration of fair profits" in industry and warned that "high-pressure selling, low-profit merchandising, indiscriminate distribution & over-saturated markets are quickly tightening the noose on the whole industry," pledging Pilot would maintain its dealer franchise policy.

Clairtone of Canada showed long line of furniture stereo consoles, including b&w combo (with TV made by Philips) at $799, and color combos (TV by RCA, U.S.) at $1,195 & $1,299. Clairtone expects more than 50% of its 1963 sales to be made in U.S., projects total 1963 sales at 32,000 sets.

Electrohome of Canada showed its long line of TVs & phonos, including 5 color sets beginning at $495 (Vol. 3:29 p9). **Fleetwood** of Canada plans intensive marketing of b&w TV in U.S., and added to its stereo console line. Featured in Chicago were 23-in. lowboy (unpriced) and combos at $599.50 & $699.95. **Phillips** of Canada showed 3 stereo consoles (under Norelco label) at $575, $595 & $750.

Both **Matsushita** (Panasonic) & **Delmonico** devoted considerable space to their stereo consoles housed in U.S.-made cabinets. Panasonic units contain Miracord (German) changers, list from $249.95 to $589.95. Delmonico is manufacturing own furniture.

Fisher was back with enlarged console line, starting with drop-down table or wall model stereo unit at $249.95 ($349.95 with FM stereo), including TV combos at $795-$845 (remote control $100 extra). TV chassis reportedly is made by Emerson's Du Mont div. Another old-line component hi-fi manufacturer, **H. H. Scott**, made debut in console field with 6 units at $995 & $1,295.

American TV Corp., which occupied Majestic's old space at Music Show (and which is planning merger with Majestic parent Wilcox-Gay, now in bankruptcy proceedings), showed TV & combo line in anticipation of more widespread marketing. Under DeForest brand name, it showed low-end 23-in. console and several 23-in. combos, including one with AM & stereo phono at $198, with high-end combo at $300 which has all of TV circuitry in pull-out drawer for easy substitution or repair.

TV, PHONO SALES SOAR Preliminary unofficial statistics for first half of 1963 show black-&-white TV sales continuing to run about 8% of last year. Distributor-to-dealer sales are estimated at 2,955,000, up from 2,727,000 during first-half 1962. June sales were about 12% above June 1962.

Radio sales, however, continued to show 1962-to-1963 declines, 6-month distributor-to-dealer sales estimated at 3,927,000, down 18% from 4,801,000 in first half 1962. June's dip from 1962 was about 23%. Despite increased TV sales, inventories at manufacturer & distributor levels were about 11% below 1962 figure at midyear, while radio inventories were down 10%.

Official EIA figures for 5 months were released last week, and they showed continuation of trend which has prevailed all year—TV & phono up, radio down sharply. B&w TV distributor sales, in fact, showed greatest 1963-over-1962 increase in May, up 22%, while 5-month rise was about 8%. Radio sales in May fell 23% below May 1962 mark, and 5-month drop was 17%. Bright spots in radio were auto radio (not included in distributor sales) & FM.

EIA's phono data releases have undergone format change, with new breakdown between table-portable & console substituted for discontinued stereo-mono breakdown. We've changed our tables accordingly, and bring you full 5-month statistics for 1962 & 1963 below:

Phono figures show 25% increase in distributor-to-dealer sales for first 5 months of 1963 over like 1962 period, although May sales were up only 5% from May 1962. Factory sales are up 21% for 5-month period, and about same as last year for month of May. Analyzing new data on table-portable vs. console shows much of 1963's increase has been in former category. For first 5 months, 1963 distributor sales mix was 63% table-portable, 37% console, whereas same 1962 period showed 59% table-portable, 41% console. Thus while table-portable sales rose 32% from 1962, console sales were up only 14%.

Here are EIA's 5-month figures on TV-radio-phono:

TV-RADIO DISTRIBUTOR SALES

	Black-&-White TV		Radio (excl. auto)	
Month	1963	1962	1963	1962
January	503,821	465,836	453,248	562,869
February	535,999	521,275	616,036	697,892
March	601,797	580,876	818,510	917,236
April	395,166	364,742	637,443	809,499
May	378,215	310,799	598,410	772,479
TOTAL	2,414,988	2,243,528	3,123,747	3,759,976

BLACK-&-WHITE TELEVISION PRODUCTION

	Total		All-Channel	
Month	1963	1962	1963	1962
January	484,415	488,869	58,032	39,609
February	557,931	541,494	63,713	46,715
March	696,435	659,251	76,481	48,323
April	548,637	510,587	70,405	51,107
May	507,499	474,647	57,208	39,409
TOTAL	2,794,917	2,674,848	325,839	225,163

RADIO PRODUCTION

	Total		Auto Radio		FM	
Month	1963	1962	1963	1962	1963	1962
January	1,229,507	1,350,630	594,505	530,589	87,641	76,510
February	1,389,652	1,464,797	657,691	480,232	75,544	84,216
March	1,568,381	1,810,417	677,613	607,510	100,940	81,010
April	1,359,769	1,472,654	596,899	519,296	102,208	63,193
May	1,384,063	1,444,074	555,812	504,846	119,756	62,292
TOTAL	6,931,372	7,542,572	3,082,520	2,642,473	486,089	367,221

PHONO DISTRIBUTOR SALES

	1963			1962		
Month	Port. & Table	Console	Total	Port. & Table	Console	Total
January	204,073	112,452	316,525	115,998	103,730	219,728
February	192,858	137,114	329,792	130,104	109,316	239,420
March	211,745	134,407	346,152	173,056	126,201	299,257
April	169,478	77,252	246,730	129,175	72,017	201,192
May	129,535	75,513	205,208	136,405	59,159	195,564
TOTAL	907,689	536,738	1,444,427	684,738	470,423	1,155,161

PHONO FACTORY SALES

	1963			1962		
Month	Port. & Table	Console	Total	Port. & Table	Console	Total
January	205,955	135,741	341,696	137,090	122,469	259,559
February	190,352	149,923	340,275	130,495	124,917	255,412
March	200,571	129,142	329,713	166,408	132,075	298,483
April	165,016	76,190	241,206	120,793	62,309	183,102
May	123,486	62,723	186,209	132,749	54,543	187,292
TOTAL	885,380	553,719	1,439,099	687,535	496,313	1,183,848

Should sets exported from U.S. have all-channel tuning? No, says FCC, but a waiver of Commission rules is needed. Deputy Gen. Counsel Henry Geller said both law & rules are silent about exports, but "whole thrust of the law is to protect the American public, nothing to do with exports." Geller said FCC might be concerned if there's large sale of sets to Americans through foreign PX's, to be brought home, "but I suspect it's de minimis."

New tube-type uhf tuner announced by Standard Kollsman, Series U, is claimed to have low noise (average 9 db), low drift, low microphonics, ease of mounting, compactness, long life. It measures 1.66-x-3.64-x-4.07-in. Standard also reports transistor model UT "will be introduced very soon."

"Relay I" has achieved record for a communications satellite, builder RCA reports, noting that it has operated 203 days—compared with 185 days for "Telstar I"—has been used for more than 1,350 experiments.

Quality Stabilization bill (HR-3669) was reported favorably by House Commerce Committee last week. It allows manufacturer to set price range at which wholesalers & retailers may sell goods, permits him to prevent brand from use in bait merchandising. "States rights" amendment to bill would allow state law to prevent local implementation of act. Senate also has bill, S-774.

One attention-getting TV set at Music Show last week wasn't for sale. It was latest model of Russian TV, displayed by Westinghouse. With 17-in. screen, it sells for about $359.64 in Moscow, Westinghouse officials stated, described features of set, concluded, tauntingly: "And . . . about 10 years ago. Placard in Westinghouse display described features of set concluded, tauntingly: "And . . . it's hand wired, of course."

New 1-watt service for manufacturing operations, for communications in noisy areas, etc., has been proposed by FCC. Thirty channels in 72-74 & 75.4-76 mc are planned.

Trade Personals

P. J. Casella, onetime RCA consumer products exec. vp (Vol. 16:48 p18), resigns as pres. & chief exec. officer of Endicott Johnson Corp. "for personal reasons."

M. Lloyd Bond, ex-Northeastern Engineering pres., appointed asst. communications commissioner, Transportation & Communications Service, div. of General Services Admin. . . . **David H. Foster**, Collins Radio gen. attorney, named secy., succeeding **S. J. Storm**, retired.

Herbert K. May, formerly with U. S. State Dept., joins ITT as asst. treas. & special asst. to Pres. **H. S. Geneen**; **George C. Perris** named ITT Distributor Products Div. semiconductor products merchandising mgr..

Howard W. Main appointed pres. of Dominion Electrohome's American subsidiary, International Electrohome, continues as mktg. vp of parent firm, with hq in Kitchener, Ont.; **Robert Moore** appointed mktg. vp of U. S. subsidiary, **Donald K. Owens** operations mgr., **Theodore C. Collins** sales mgr.

Charles J. Hirsch, RCA staff engineer, noted for early work on TV standards, among other contributions, stricken with heart attack while flying to Cal., is in Denver's St. Joseph's Hospital.

Obituary

Frank M. Viles Jr., 45, former mktg. vp. of ITT's Components Div. & 1960-61 head of ITT Distributor Products Div., was killed July 21 in auto accident at Clifton, N.J. He was pres. of Mark International Corp., Montclair, N.J. He is survived by widow & son.

Replacement-tube labeling problem took on new aspect last week when FTC hearing examiner Joseph W. Kaufman held that Westinghouse's labels & statements disclosing that tubes may contain used glass were inadequate because ultimate consumers were unlikely to see them. In initial decision subject to Commission review, Kaufman conceded that reprocessed bulb might be as good as a new one. But he said Westinghouse's identification of glass as "used" appears on labels affixed to tubes & their cartons and on warranty cards, none of which is likely to be seen by consumer who has replacement tube installed in his TV. He suggested possibility of new system under which warranty cards would be given to final consumer rather than dealer, or new method of labeling on tube itself where set owner would see label. Westinghouse, commenting on initial decision, denied any misrepresentation or use of word "new," and stated it has consistently informed public of its employment of used bulbs in easy-to-read bold type.

Last Call For Factbook #33

Our supply of Television *Factbooks* is dwindling. We urge you to analyze your requirements and order now if you see any need for additional copies arising between now and the issuance of next *Factbook* in Feb.

Remember: *Factbooks* are ideal as business gifts and make excellent time savers for salesmen, distributors, dealers, office personnel, etc. A descriptive folder and order card are enclosed for your convenience. Price: $15; $12.50 for 5 or more.

Trav-Ler Industries, "like other companies in our industry, experienced the continuing effects of economic uncertainty" and recorded sharp sales & earnings drops in its 1963 fiscal year ended April 30 (see financial table), Pres. Joe Friedman advised stockholders in annual report. He noted that Trav-Ler initiated "regular production" of color TVs at end of June, estimated "sales of color TV for the balance of the current year should exceed $5 million based on orders on hand." Trav-Ler closed fiscal year with total current assets of $7,316,737 (including $840,411 cash & $1,020,714 trade receivables) vs. $3,310,225 in total current liabilities. Year ago, assets totaled $8,538,087 (including $2,314,684 cash & $1,497,563 receivables) vs. $3,280,713 liabilities. Order backlog approximated $12 million vs. $10 million a year earlier. Friedman's "aggregate remuneration" for 1963 fiscal was $75,000, according to proxy statement for Aug. 13 stockholders meeting. His common stock holdings totaled 314,485, including 6,076 shares held jointly with wife. He also holds warrants to purchase 7,612 shares. As of June 15, Friedman owned 31.02% of 1,013,842 outstanding common shares, wife Jeanette owned 10.84%.

Magnavox profit declined 19.4% in 2nd quarter to $1.5 million (see financial table) & whittled first-half earnings to $4.4 million—2.5% ahead of year-earlier's $4.3 million. First-half sales were down 11.1% to $77.9 million, June quarter sales were off 23.5% to $34.1 million. Consumer products sales, however, were up 20% for Jan.-June, Pres. Frank Freimann noted, adding: "Orders for TV, stereo hi fi & other consumer products were 50% higher in June than in the same month last year, and this sales momentum has carried over into July." Freimann pointed out that half-year report incorporates start-up costs for Magnavox's color chassis, which it has been producing since April. For total 1963, Freimann said "earnings are expected to be substantially ahead of a year ago."

Sylvania's first-half profit jumped 27% over year ago, contributed to parent GT&E's 21% earnings rise to record $46.3 million (see financial table). Sylvania's sales also were up from year earlier. GT&E Chmn. Donald C. Power said "strong sales gains were achieved in home electronics products, includuing TV sets & stereo hi-fi instruments. Sales of lighting products & TV picture tubes also were ahead of last year." No Sylvania figures were disclosed, but GT&E's over-all manufacturing sales rose to record $376,894,000 from $369,211,000 in 1962's first half. Manufacturing profit climbed 11% to $14,473,000 from $12,999,000.

Motorola reports record sales & earnings in 2nd quarter, and record sales for first 6 months of 1963. Pres. Robert W. Galvin anticipated record sales & earnings for 3rd quarter, "assuming that our nation's economy is not upset by a rail strike or the impact of undue racial unrest." First-half earnings, he said, were affected by large expenditure to broaden semiconductor & integrated circuit lines and to introduce new TV sets, including the 23-in. rectangular color tube. (See financial table.)

Philco parent Ford Motor posted record first-half sales on 9.6% increase to $4.434 billion from $4.043 billion a year earlier. Earnings gained 3% to $227.2 million from $268.3 million.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Aerovox	1963—6 mo. to June 30	—	—	$ 64,122	$0.07	870,851
	1962—6 mo. to June 30	—	—	174,067	.20	870,851
Amphenol-Borg Electronics	1963—6 mo. to June 30	$ 41,963,661	$ 2,429,599	1,124,693	.81	1,387,677
	1962—6 mo. to June 30	43,334,571	2,139,273	1,015,273	.73	1,387,677
Crowell-Collier	1963—6 mo. to June 30	47,627,107	1,891,972	912,972	.28	3,257,881
	1962—6 mo. to June 30	39,976,276	1,939,559	898,859	.28	3,136,205
	1963—qtr. to June 30	25,817,041	1,549,033	750,333	.23	3,257,881
	1962—qtr. to June 30	22,986,605	1,470,190	671,990	.21	3,136,205
Desilu Productions	1963—year to Apr. 27	21,869,000	1,278,797	(655,387)[1]	—	1,233,631
	1962—year to Apr. 27	14,223,000	272,478	611,921	.53	1,155,940
Erie Resistor	1963—6 mo. to June 30	14,466,000	—	270,000	.27	798,806
	1962—6 mo. to June 30	14,301,000	—	601,000	.67	798,806
	1963—qtr. to June 30	7,590,000	—	207,000	.22	798,806
	1962—qtr. to June 30	7,310,000	—	346,000	.39	798,806
GT&E (Sylvania) Story on p. 11	1963—6 mo. to June 30	684,475,000[5]	—	46,286,000[5]	.61	75,307,000
	1962—6 mo. to June 30	649,338,000	—	38,387,000	.52	73,846,000
	1963—qtr. to June 30	351,996,000[5]	—	24,226,000[5]	.32	75,353,000
	1962—qtr. to June 30	331,432,000	—	20,225,000	.27	74,142,000
Giannini Controls (Conrac)	1963—6 mo. to June 30	13,035,000	862,396	401,000	.33	1,121,385
	1962—6 mo. to June 30	11,700,000	871,364	429,000	.41	1,070,418
Goodwill Stations	1963—6 mo. to June 30	4,140,577	—	397,505	.57	631,903
	1962—6 mo. to June 30	3,863,306	—	342,900	.49	632,143
Hazeltine	1963—6 mo. to June 30	21,888,000	1,923,000	912,000	.58	1,568,363
	1962—6 mo. to June 30	22,105,000	1,840,000	892,000	.57	1,568,363
Ling-Temco-Vought	1963—6 mo. to June 30	162,824,000	5,849,000	3,663,000	1.32	2,784,050
	1962—6 mo. to June 30	173,989,000	4,564,000[7]	4,564,000	1.64	2,783,232
	1963—qtr. to June 30	83,582,000	3,152,000	1,991,000	.72	2,784,050
	1962—qtr. to June 30	91,642,000	2,341,000[7]	2,341,000	.84	2,783,232
Littelfuse	1963—6 mo. to June 30	3,137,088	297,592	145,594	.43	341,237
	1962—6 mo. to June 30	3,354,505	374,791	182,650	.54	341,237
Magnavox Story on p. 11	1963—6 mo. to June 30	77,880,000	8,562,000	4,394,000	.60	7,348,002
	1962—6 mo. to June 30	87,563,000	8,928,000	4,285,000	.59	7,313,623
	1963—qtr. to June 30	34,059,000	2,836,000	1,491,000	.20	7,348,002
	1962—qtr. to June 30	44,524,000	3,918,000	1,850,000	.26	7,313,623
Metromedia	1963—26 wks. to June 30	27,978,000	—	1,838,228	1.03	1,715,044
	1962—26 wks. to June 30	26,206,000	—	1,021,655	.57	1,707,057
	1963—13 wks. to June 30	14,450,000	—	1,134,945	.64	1,715,044
	1962—13 wks. to June 30	13,936,000	—	882,923	.50	1,707,057
Motorola Story on p. 11	1963—6 mo. to June 30	172,166,230[5]	10,486,053	4,913,094	1.22	4,026,872
	1962—6 mo. to June 30	159,649,347	12,123,551	5,685,976	1.41	4,026,872
	1963—qtr. to June 30	91,576,134[5]	7,286,905	3,556,427[5]	.88	4,026,872
	1962—qtr. to June 30	82,632,185	6,974,897	3,230,032	.80	4,026,872
Pacific Mercury Electronics	1963—year to Mar. 31	21,875,333	—	482,740	.69	748,500
	1962—year to Mar. 31	17,414,000	—	252,749	.36	748,500
Packard Bell Electronics	1963—9 mo. to June 30	37,967,000	—	805,000	.94	854,043
	1962—9 mo. to June 30	35,931,000	—	(333,000)	—	854,043
Storer Bcstg.	1963—6 mo. to June 30	19,917,000	—	2,931,654[2]	1.28[2]	289,986
	1962—6 mo. to June 30	18,067,000	—	3,618,366[3]	1.48[3]	2,438,181
	1963—qtr. to June 30	10,147,000	—	1,304,437[2]	.61[2]	2,289,986
	1962—qtr. to June 30	9,367,000	—	1,466,770	.60	2,438,181
Taft Bcstg.	1963—qtr. to June 30	3,203,574	1,220,986	565,746	.36[4]	1,589,485
	1962—qtr. to June 30	3,057,975	1,266,357	578,541	.36[4]	1,578,938
Thompson Ramo Wooldridge	1963—6 mo. to June 30	240,081,345[5]	14,086,956	7,066,956	1.84	3,766,410
	1962—6 mo. to June 30	231,589,854	13,330,666	6,414,666	1.68[6]	3,731,118[6]
	1963—qtr. to June 30	122,730,309[5]	7,813,607	3,976,207	1.04	3,766,410
	1962—qtr. to June 30	119,919,624	7,415,900	3,536,500	.93[6]	3,731,118[6]
Trav-Ler Industries Story on p. 11	1963—year to Apr. 30	22,105,904	456,766	248,766	.25	1,013,842
	1962—year to Apr. 30	25,065,078	1,296,449	639,499	.63	1,013,842

Notes: [1] After non-recurring charges totaling $1,857,006. [2] After special charges of $256,247 (11¢ a share). [3] Includes special credit of $912,863 (37¢). [4] Based on 1,589,485 shares. [5] Record. [6] Adjusted to reflect Dec.-1962 10% stock dividend. [7] No tax liability because of loss carry-forward.

NAB LIBRARY

WEEKLY

Television Digest

with

Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

AUGUST 5, 1963 NEW SERIES, VOL. 3, No. 31

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

COLLINS CONTRASTS U.S. & UK TV, FINDS IT MUCH LESS VITAL PART OF BRITISH LIFE, BUT SAYS WE CAN LEARN MUCH ABOUT HANDLING COMMERCIALS (P. 1).

TRANSLATORS VS. CATV IN NEBRASKA, AS FCC GRANTS 2 REPEATERS TO KSTF SCOTTSBLUFF-GERHRING, DENVER SIGNALS TO BE RELAYED VIA UHF TRANSLATORS (P. 2).

GM & L-O-F COMMERCIALS RULED ILLEGAL: FTC CALLS 1957-58 ADS 'SPURIOUS OR FAKE,' CHALLENGES CLAIMS & DEMONSTRATIONS (P. 2).

FCC GEARS FOR DROP-IN ARGUMENT, LISTS WHAT IT WANTS TO HEAR, CHANGES DATE TO OCT. 4, EXPLAINS OKLAHOMA CITY MOVE-IN (P. 2).

NIELSEN & NAB TALK TURKEY: TOP-LEVEL MEETING HELD IN CHICAGO TO EXPLORE PROBLEMS HOLDING UP RATER'S ENDORSEMENT OF NAB PLAN; IT'S TERMED 'SATISFACTORY;' NAB TURNS DOWN AUDIT-ONLY SUGGESTION (P. 3).

NEW CONSUMER PRODUCT FOR ELECTRONICS? HOW ABOUT TAKING ANOTHER LOOK AT HOME FACSIMILE, WHICH MAY POTENTIALLY OFFER MARKET AS BIG AS TV? (P. 3).

FIRST ETV GRANTS SOON: HEW PLANS AUTHORIZATION OF FIRST NEW FEDERAL FUNDS FOR STATION CONSTRUCTION BY SEPT. 1. NEW LOW POWER POINT-TO-POINT SERVICE NOT ELIGIBLE (P. 5).

TIME INC. JOINS TTC DEAL, ACQUIRING KERO-TV BAKERSFIELD, AS REST OF TRANSACTION IS CONCLUDED, SUBJECT TO FCC & IRS APPROVAL (P. 6).

Consumer Electronics

REPORT ON TELCAN HOME VIDEO-TAPE RECORDER BY TEAM REPRESENTING U.S. TV MAKER CONCLUDES PRODUCT HAS TOO MANY SHORTCOMINGS AT PRESENT TIME FOR SATISFACTORY CONSUMER MARKETING (P. 7).

DISCOUNTER RALLIES COMPETITORS FOR PRICE FIGHT. RHODE ISLAND FIRM APPEALS TO DISCOUNT HOUSES IN TRADING AREA TO CONSOLIDATE FOR 'COMMON PROTECTION' AGAINST QUALITY STABILIZATION BILL (P. 7).

TV SETS AT THE 'FIVE & DIME' INCREASE AS WOOLWORTH & KRESGE MAKE SERIOUS BID FOR TV BUSINESS VIA DISCOUNT SUBSIDIARIES; KRESS IS TEST SELLING TVS IN SELECTED STORES (P. 8).

FM STEREO STATIONS IN U.S. & CANADA NOW TOTAL 271, WITH AT LEAST 40 BROADCASTING ENTIRE SCHEDULES IN STEREO; 18 STEREO STATIONS ADDED TO OUR RUNNING LOG (P. 9).

COLLINS CONTRASTS U.S. & UK TV: U.S. TV system is better than Britain's. Though he's much too courtly to put it in such words, that's NAB Pres. Collins' opinion. In news conference after return last week, he gave his impressions, including:

(1) "TV is not a basic part of the English way of life, as it is in the U.S. It's collateral, in a sense. For example, there's nothing on TV in the morning, little in the afternoon. It's a sort of spoon-feeding process, instead of a fountain, always available, as it is here... TV doesn't have the impact on the economy as it does here. There's no real local radio service... I was amazed at the lack of understanding of what TV can render to the public."

(2) "They do some things extraordinarily well... News, interpretation, documentaries, sports, dramatic work... But they take much greater license than we do, with profanity in drama, and so forth."

(3) "They do a remarkably good job with commercials. They give attention to quality. They minimize interruptions, and the public is less prone to protest. Our broadcasters could learn much in this area... The advertisers are happy with the system... I'm not advocating the 'magazine concept' in that I think a sponsor should be divorced from a program. I believe he should have the freedom to be associated with a program, but the broadcaster should always have the responsibility for the programs."

(4) "BBC & ITA do considerable sampling of the public's program preferences. But since there's no commercial competition among stations, there isn't the same need for ratings we have. BBC samples some 3,000 people a day."

(5) "Our newspapers have far higher standards... Sensational coverage of the Profumo-Keeler affair... Broadcast coverage was much more limited."

(6) "I found it very difficult to adjust their receivers for a good picture... Hotels don't seem to concern themselves with a good antenna or good service. I had the feeling that the sets didn't measure up. I had the impression that the transmission is good." Collins didn't get to continent, thus had no comment on other countries' TV.

TRANSLATORS VS. CATV IN NEBRASKA: Station-CATV conflict in Scottsbluff, Neb., one of most unusual, moved to another stage last week. FCC granted 2 vhf translators there to KSTF, also granted station 2 uhf translators each in Borie & Albin, Wyo., to relay Denver station signals to Scottsbluff.

Collier Electric Co. operates CATV system in Gehring, across river from Scottsbluff, has long wanted to put a system in Scottsbluff. KSTF is satellite of KFBC-TV Cheyenne, whose principal William Grove is long-time foe of CATV.

Translator grants put Grove in position to feed 3 free signals to Scottsbluff area, and question now is whether this will kill or shrink CATV system. Another interesting aspect of situation is that FCC granted waivers of rules so that Borie & Albin translators can be used primarily for relaying purposes. Normally, FCC grants translators to serve viewers in their areas, not primarily as relays.

Another FCC action affecting station-CATV relations came in Yuma, Ariz. CATV operator Bruce Merrill, who also operates KIVA (Ch. 11) there, sought to block grants (on economic grounds) of Ch. 7 & 9 stations in El Centro, Cal., which would put signals into Yuma, which also has CP for KBLU-TV (Ch. 13). The 3 potential new competitors would hit both KIVA and CATV system. Commission turned down KIVA's objections because it believes the facts it presented are "too inconclusive."

Canadian CATV operators have hands full, too. Latest problem is introduction of bill which would put CATV under control of Board of Broadcast Governors by widening definition of broadcasting to include "the redissemination for commercial gain of broadcast matter by wired transmission intended to be received by private persons."

GM & L-O-F COMMERCIALS RULED ILLEGAL: Those controversial 1957-58 auto glass commercials of General Motors & Libbey-Owens-Ford were judged "spurious or fake" by FTC last week. It adopted initial decision of July 1962, with modifications, and ruled that commercials were illegal because of inaccuracy & unfair methods of competition in advertising. Companies have 20 days to file objections.

FTC held that, contrary to commercials: (1) Safety plate glass used in side windows of GM cars is lower in quality than windshield. (2) Auto safety sheet glass of non-GM cars is higher in quality than home window glass. (3) Demonstrations of perceptible disparity between safety plate glass & safety sheet glass weren't accurate under ordinary conditions.

Comr. Everette MacIntyre, speaking for Commission, said: "What appears to be in one commercial, a real comparison in distortion characteristics between plate glass and sheet glass is not that at all; it is actually a comparison between 'empty space and sheet glass' since the picture purportedly taken through plate glass was actually taken through an open window. MacManus, John & Adams was agency for GM commercials.

FCC GEARS FOR DROP-IN ARGUMENT: Ground rules for vhf drop-in oral argument Oct. 4, changed from Sept. 19 (Vol. 3:30 p2), were announced by FCC last week. It said it wants to hear about:

(1) What policy will give more network competition. (2) Impact of vhf drop-ins on uhf growth. (3) Whether vhf drop-in grantees should also operate uhf, and whether they should have to shift to uhf by some date. (4) When will competition develop in the 7 markets—with or without drop-ins.

Participation in oral argument is limited to those who filed petitions for reconsideration or opposition to such petitions.

FCC also explained why it granted short-spaced move-in of KOCO-TV from Enid to Oklahoma City: Station couldn't cover latter city adequately from distant site—and move-in wouldn't hurt uhf. Comr. Loevinger offered concurring statement saying that MST had no standing in case, had no right to file an opposition. Also, he said, the antenna-move issue has nothing to do with the 7 drop-in cases.

NIELSEN & NAB TALK TURKEY: Top Nielsen & NAB officials got down to bedrock on ratings in Chicago last week to find out how close the researcher is to endorsing NAB's reform plan.

It was a meeting of chieftains: A. C. Nielsen Sr. & Jr., Exec. vp Henry Rahmel. For NAB, Don McGannon, Group W pres., & Howard Bell, NAB planning & development vp.

Bell said meeting was "satisfactory," believes company will back up earlier expressions of desire to cooperate. Nielsen said it would examine its position. NAB hopes next time it hears from Nielsen it will be in form of application for accreditation, indicating final endorsement. These have been received from virtually all active rating firms (Vol. 3:28 p3).

Meeting was candid exchange of views. NAB spokesmen told Nielsen it wasn't happy with way rater sent its 16-page audit plan to entire industry (Vol. 3:30 p4). NAB representatives said they were unhappy because Nielsen's action invited voluminous comments at a time when Nielsen & NAB were moving toward conclusion of negotiations.

Nielsen's suggestion to have research companies serve as members of "industry committee" was turned down by NAB. Assn. also said that setting of standards & official accreditation were key elements of NAB plan and would stay in. Nielsen suggested audit-only.

Minimum standards germane to all services have been compiled by Melvin Goldberg, NAB research vp. They include such requirements as: Training of interviewers; quality control of field supervisors, editors, tabulators; guidelines on size of sample needed to accomplish different research objectives. Accreditation will depend on raters' compliance with these minimum standards, as well as those outlined in individual methods questionnaire.

Harris Subcommittee staff pored over Nielsen's plan last week, found it wanting in essentially same areas NAB did, we were told. Harris staff also backs ratings plan advanced in editorials by Sol Paul, "TV Age" publisher. It would provide that ratings be expressed in ranges rather than in fixed estimates. Staff plans to recommend it to Subcommittee for final adoption in report. Advertising Research Foundation also supports idea. Researchers we've checked with, however, believe it would create additional problem: If a station gets a "10-20" rating, it would be inclined to promote the "15" average or even the "20."

'A NEW ELECTRONIC CONSUMER PRODUCT?' More & more consumer electronics leaders these days are publicly goading their engineers—usually in luncheon speeches—to come up with "a new electronic consumer product." In view of fact that consumer segment of electronics industry has been progressing at slower rate than any other division (20% growth since 1959 vs. 70% for military & space electronics, 68% for industrial electronics), challenge seems well warranted.

Garage-door openers and programmed vacuum cleaners aren't the answer. Home video tape recording may not be answer, either, in view of fact that there already is an adequate home movie industry. Perhaps it's time to take new, unbiased look at an old proposal—one, which, if it succeeded, might start new consumer electronics boom of TV proportions. It's a product which would belong directly to same industry which successfully pioneered, developed & sold TV.

This product is home facsimile—the "fax" which created flurry of excitement in the 1930s & 1940s, until it was eclipsed by TV and then virtually forgotten as potential broadcasting & consumer medium, although it has become highly developed commercially & industrially.

As result of recent developments, fax now holds promise of providing unlimited supply of printed matter for the American family at virtually no cost except initial purchase price of receiver—about equivalent to TV set. Magazines, books, newspapers, trade publications, encyclopedias, photos, art treasures could be transmitted to homes instantaneously and in practically unlimited quantities.

Home facsimile is far more practical now than it was 20-30 years ago when several pioneers pushed it hard, even to extent of widespread home tests. Now, TV stations could add fax transmitting equipment at low cost to originate printed matter during non-broadcast hours. If fax succeeded as consumer medium, full-time stations could be assigned, TV network lines now span continent, making possible transmission of national publications (with regional news & ads inserted by local stations, if desired). Cathode-ray electronic printing tubes (such as one used in A. B. Dick address-

ing system) and refinements in xerography help to make possible new & more efficient techniques of home reception.

One of biggest drawbacks of fax in the 40's may now have been overcome—its fantastic appetite for expensive, sensitized paper. John R. Porterfield, TV & facsimile pioneer, onetime TV set distributor & broadcaster, has applied for patent on new system which nearly eliminates cost of paper. A far cry from old techniques which devoured rolls of paper, his system uses paper-thin plastic sheets—unsensitized—and printing by magnetic "ink." Both "ink" & "paper" are re-usable. When material has been read, it is stacked in hopper and automatically erased, the ink returning to its reservoir.

Porterfield's system also has provision for magnetic "binding" of paper into magazine format. Binding is removed automatically when plastic paper is re-used. For material of more than temporary interest, "permanent" button is pressed on receiver, and magnetic ink is permanently fixed to either plastic or regular paper.

This is just one system—undoubtedly others could be developed to overcome fax's former shortcomings. As to costs, Porterfield estimates cathode-ray printing tube in quantities would cost about same as picture tube, and whole receiver initially would occupy no more space than TV lowboy console.

He estimates material could be printed at rate of better than 3 pages a minute—standard magazine size—possibly much faster, depending on bandwidth, resolution, etc. Receivers would have to be equipped with "programmer-timer" so that channel & time could be preset for tuning at any hour of day or night. "Program guide," presumably also distributed by facsimile, would list week's vast catalog of material by time & channel.

If you say you've heard this song before, you're undoubtedly right. But home facsimile may well be worth 2nd look in context of recent electronics developments, and because of these potential characteristics: (1) It would satisfy a public need—judging by vast recent increases in printed material. (2) It can be justified in terms of economy—in year's time, consumer could far more than recapture initial investment in price of magazines, books & newspapers alone. (3) It would fulfill important public educational service. (4) Its program material is virtually unlimited. (5) It could provide greatest ad medium in history of printing—"Reader's Digest" could increase circulation from current 12 million to 50 million. (6) It could supplement costly printing, mail & newsstand circulation of publications. (7) It follows successful TV-radio pattern of broadcaster-manufacturer-consumer relationship.

Is this blue-sky dreaming? Was TV? Remember, not one major scientific breakthrough is required to develop practical home facsimile. Want a new consumer product? Perhaps it's time to re-evaluate fax.

CAPSULES

Group W embarks on long-awaited theatre-&-TV project this fall. Simultaneous with opening of "The Advocate" on Broadway Oct. 13, videotaped version will be presented on company's 5 stations. Broadcaster investment will be about $150,000 ($60,000 as 60% partner in play; about $90,000 for taping). Taping will be done about 2 weeks before opening, with benefit of lighting not available on stage. TV version will be offered for sponsorship—ads to be slotted at beginning, between acts & close. Plans for syndication depend on movie rights; it could be syndicated 90 days after play's Broadway closing or not for several years if movie deal is made. Project was announced by Don McGannon, Group W pres.; it's under direction of Herman Land, creative services dir.

By far tallest man-made structure in world will be 2,063-ft. tower of KEND-TV (Ch. 11) Fargo, construction starting in Sept. Current record holder is 1,749-ft. Columbus, Ga. tower. Structure will be built by Kline Iron & Steel Co., Columbia, S. C., which also holds contracts for 1,800-ft. & 2,000-ft. towers—stations not yet identified. Pres. B. H. Kline reports that Bethlehem Steel is so proud of its work that it's taking ads in major national publications.

NEW & UPCOMING STATIONS: WQAD-TV (Ch. 8) Moline, Ill., year's 6th new starter, began as ABC-TV primary outlet Aug. 1. On-air total now is 640 (525 vhf commercial). Non-commercial total is changed to 79 with resumption of KTXT-TV (Ch. 5 ETV) Lubbock, Tex., off-air June & July.

WQAD-TV uses 25-kw RCA transmitter, 1065-ft. Stainless tower, RCA traveling wave antenna, at site near Orion, Ill. Frank P. Schreiber, ex-WGN-TV Chicago, is pres. & gen. mgr.; Lad F. Hlavaty, ex-KCRG-TV Cedar Rapids, chief engineer; Les C. Rau, ex-KWWL-TV Waterloo, Ia., dir. of sales; C. Douglas McCarty, ex-KETV Omaha, dir. of programming; Jack Wilson, ex-KETV, production dir. Base hour is $900. Rep is H-R Television.

Note: Three CP-holders report delays in construction. WEPA-TV (Ch. 66) Erie, Pa. states that all activity is in abeyance pending FCC approval of request to change to Ch. 24; KVSF-TV (Ch. 2) Santa Fe, N. M. reports difficulties in coming to agreement with U. S. Forest Service on a transmitter site; KBLU-TV (Ch. 13) Yuma, Ariz. states it can't move until "current protests against us from KIVA are resolved by FCC."

* * * *

In our continuing survey of upcoming stations, here are the latest reports received from principals:

WGHP-TV (Ch. 8) High Point, N. C. has nearly completed construction, reports James W. Coan, pres. Oct. 1 is target for start with ABC-TV. It will use RCA transmitter, 1117-ft. Kline tower. Nat Tucker, ex-WBTV Charlotte, N. C. will be program & production dir.; Leo Derrick, ex-WFMY-TV, Greensboro, N. C. promotion & public relations dir.; Charles Harville, ex-WFMY-TV, sports dir.; Fred Barber, ex-WSOC-TV Charlotte, N. C. news dir. Rates and rep not set.

WHNT-TV (Ch. 19) Huntsville, Ala. has CBS-TV affiliation and plans start between Sept. 15 & Oct. 1, according to John Godbold, secy.-treas. It has ordered RCA transmitter, will use 254-ft. Blaw-Knox tower.

KECC-TV (Ch. 9) El Centro, Cal. hopes to start about Oct. 1 with ABC-TV, writes pres. H. S. Killgore. RCA transmitter & 605-ft. Rohn tower have been ordered.

WCIU (Ch. 26) Chicago, Ill. has Oct. target, reports John Wigel, pres. RCA 12.5-kw transmitter is due Aug. 15 for installation in Board of Trade Bldg. Tower is now ready for erection.

Happy with Hartford pay-TV experiment, RKO General chief Thomas O'Neil & Zenith pres. Joseph S. Wright issued statement terming first year's operation "encouraging & enlightening." O'Neil said it's too early for "complete conclusions" but tests showed that system meets a public need, that program expenditures "are consistent" and that subscriber dropouts are "remarkably low." He said 3,000 homes are served, and many more could be if operators chose to accelerate installations. Wright said "it appears that our confidence in subscription TV was justified... We believe that commercial TV will not lose... but will benefit eventually through renewed interest in TV as a medium, through encouraging the establishment of new stations and stimulating the creative talents of the entertainment industry." O'Neil said most major film distributors, except Universal & 20th Century, have cooperated.

FIRST ETV GRANTS SOON: HEW expects to make first federal grants for ETV station construction by Sept. 1, states John Hurley, deputy undersecretary for ETV. There are 14 applications requesting total of $2,594,734 (Vol. 3:30 p5)—though Congress appropriated only $1.5 million for first year.

There's no formal priority system in granting of funds, says Hurley. It's Congress's primary intent to establish new stations, but applications for expansion of facilities "will receive full consideration, too," he asserts.

Three general standards in statute guide HEW in grants: (1) Effective use of channels. (2) Equitable geographic distribution. (3) Greatest number of persons in as many areas as possible must be served.

Initial grants will be made from first 2 groups of applications—those accepted by June 29 & July 13. HEW has a 30-day waiting period after acceptance. New point-to-point service (Vol. 3:30 p 2) doesn't qualify for grants.

Bill signed by President Kennedy in May 1962 authorizes $32 million for ETV construction over 5-year period. With first grants to be made soon, 4 years remain.

Four types of color cameras—including "separate luminance" version using only 3 camera tubes—were demonstrated in London to EBU delegates now evaluating 3 proposed European color TV standards. All 4 Marconi cameras will work with any of the standards being considered—U.S.'s NTSC, France's SECAM, Germany's PAL (Phase Alternation Line system, developed by Telefunken). Color cameras shown by Marconi: (1) Camera with 3-in. image orthicons, one tube for luminance (b&w) signal, 2 for red & blue, the green signal being derived from the other 3. (2) 4-tube camera, with luminance signal produced by new type of pickup tube, Philips' "Plumbicon," said to combine excellent sensitivity & resolution with simplicity of vidicon. (3) Standard type 3-tube camera with 3-in. image orthicons. (4) Camera with three 4 1/2-in. image orthicons. The 3-in. image orthicons in new cameras are new type developed by English Electric Valve Co.; sensitivity of photocathode in "blue" tube has been markedly increased to compensate for low sensitivity of "blue" channel.

Interim 3-point editorializing guidelines issued by FCC nearly 2 weeks ago (Vol. 3:30 p3) were challenged by NAB last week as too restrictive, got FCC to clarify language. FCC originally advised that if station presents views on current topic, e.g. racial issue, it must offer "all" responsible community groups opportunities for expression. Literally, NAB said this could include groups with similar ideas. FCC changed it to say station must consult "other"—not "all"—groups to get contrasting views. In other development, Rep. Celler (D-N. Y.) was scheduled to say on WOR-TV N. Y. Aug. 4 that efforts to prevent editorializing "should be resisted." He suggested stations offer "letters to the editor" program at fixed times for public viewpoints on station stands.

Value of short-spaced vhf drop-ins is not the only aspect creating "to-do" over proposals to add the vhf stations (Vol. 3:30 p2), according to Clair McCollough, Steinman Stations. He takes exception to our report which stresses demand for the facilities, says: "The big to-do is over the loss of service short-spacing will bring. This is the kind of thing that ruined AM radio coverage."

Personals

Paul Sonkin, ABC-TV audience measurements mgr., promoted to research dir.; **Seymour Amlen**, program analysis & marketing mgr., to assoc. research dir.; **John Tiedemann**, audience measurements supervisor, succeeds Sonkin; **Sheldon Jacobs**, senior research analyst, succeeds Tiedemann.

Gene Walsh, NBC asst. trade news editor, promoted to business & trade publicity mgr., succeeded by **Richard J. Connelly.**

Robert Howard promoted to national sales mgr., WNBC-TV N. Y., succeeding **Jay J. Heitin**, who joins Santa Barbara College staff.

Joseph E. Baudino, Westinghouse Bcstg. vp, Washington, appointed chmn., NAB by-laws committee.

Howard Grafman, ex-gen. mgr., radio WXFM Chicago, appointed central div. sales mgr., Allied Artists TV... **Ted Hardy** appointed merchandising dir., KXTV Sacramento.

Frank B. Parrish, sales promotion mgr., Gates Radio, promoted to adv. mgr... **William Dutcher**, production mgr., WMT-TV Cedar Rapids, appointed station mgr., WMT-FM, succeeding **Daniel Katz**, who joins Katz Agency, N. Y.

Robert Chandler, ex-MGM-TV, appointed information & special services dir., CBS News, succeeding **Josef C. Dine**, named information dir., CBS Labs... **William A. Brendle**, ex-ABC-TV, named CBS-TV press information sports mgr.

P.W. (Pat) Valicenti promoted to asst. chief, FCC Hearing Div.; **Otis Hanson** named chief, Aural Existing Facilities Branch.

John M. Taff, from Rules & Standards Div., appointed engineering asst. to FCC Comr. Loevinger.

Herbert E. Forrest advances to partner in Welch, Mott & Morgan, Washington TV-radio law firm... **Fred G. Goddard** resigns as vp-gen. mgr., radio KXRO Aberdeen, Wash., to concentrate on CATV holdings in Wash., Ore. & Cal.

Jerry Marcus promoted to asst. gen. sales mgr., KTLA Los Angeles; **Jerry Birdwell** to exec. asst. to Carlo Anneke, gen. sales mgr.

Bill Sikes, ex-producer-dir., KAKE-TV Wichita, named program dir., Kansas State Network... **Mitchell Krauss**, news & programs dir., WRUL N. Y. elected operations vp.

Henry S. Noerdlinger, veteran movie researcher-author, named mgr., National Education Assn.'s new motion picture, TV, radio information center, Los Angeles.

Obituary

Murray B. Grabhorn, 62, broadcast veteran & recently asst. dir., Multiple Sclerosis Society, died July 26. Twice pres. of Radio Executives Club, N. Y. (now International Radio & TV Society), he had served as ABC vp & Station Representatives Assn. managing dir. He is survived by 2 daughters.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington 6, D. C
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

TELEVISION DIGEST. Published Mondays. Services: $75-$150 annually. For group rates & other subscription services, write Headquarters.
TELEVISION FACTBOOK Published Annually
TV & AM-FM ADDENDA Published Saturdays
AM-FM DIRECTORY Published Annually

TIME INC. JOINS TTC DEAL: Transcontinent TV Corp. wrapped up its $38.5 million sale of stations (Vol. 3:15 p3, et seq.)—with a change from previous lineup, Time Inc. taking uhf KERO-TV Bakersfield.

Taft Bcstg. acquires WGR-TV-AM-FM Buffalo, WDAF-TV-AM-FM Kansas City & WNEP-TV Scranton. Midwest TV Inc. (August Meyer), previously set to acquire KFMB-TV-AM-FM San Diego & KERO-TV, gets former only—Time Inc. taking Bakersfield for approximately $1.5 million, same bid as Meyers'.

TTC stockholders will receive $21.20 a share, will still hold WDOK-AM-FM Cleveland (valued at 80¢ a share) because FCC rules preclude sale until they've been held 3 years. Whole transaction requires FCC approval and favorable Internal Revenue Service ruling.

Timidity in public affairs programming is based on broadcaster fear of govt. reprisal, concludes Aug. 10 "TV Guide." Magazine quotes senators, congressmen, FCC commissioners, NAB Pres. Collins. Rep. Harris (D-Ark.) says "broadcasters are afraid of government regulation... of the power of the FCC over license renewal." FCC Chmn. Henry thinks "the fear is healthy. It's better than complacency. We are their conscience." Comr. Cox says it's not fear but "economic resentment."

Encyclopaedia Britannica's first network TV buy is half-sponsorship of NBC-TV's "Exploring", educational series for children. Newton Minow, who plugged for more children's programming while FCC chmn., joined EB in June as exec. vp.

Reception for FCC Comr. Loevinger by Broadcasters Club takes place Sept. 12. On Sept. 5, there's gathering for about 30 visiting foreign broadcasters, similar to last year's.

Consumer Electronics ....

MANUFACTURING, DISTRIBUTION, FINANCE

FIRST IMPARTIAL REPORT ON TELCAN: That British home video-tape recording system (Vol. 3:27 p 11) has been inspected by at least one engineering team in behalf of American TV manufacturer—with unimpressive results.

This U.S. set maker has decided it is uninterested in Telcan process in present form—on basis of report by engineers who analyzed the device. Developed by Telcan Co., East Bridgeford, Nottinghamshire, machine is claimed to produce picture with 300 lines definition, 2-mc bandwidth, on standard 1/4-in. audio tape run at 120 in. per second. Proponents state that home TV recorder could be built to retail at less than $200, or add only about 25% to price of set if built as integral part of TV receiver.

Engineers who inspected machine were dissatisfied on several points: (1) They likened picture quality to transatlantic newsfilm shots transmitted via undersea cable, which they felt was unsatisfactory for routine home use, although it might be usable for recording of historic events which couldn't be captured in action any other way. (2) Recording head reportedly has life of only 100 hours, then must be replaced. (3) Machine's appetite for tape (nearly 7 miles of it for 60-min. recording) makes it uneconomical. (4) Fact that it will only record 15-20 min. without reversing or changing reel makes it inconvenient.

Study team also had reservations about cost figures submitted by Telcan, feeling that in actual production they might be several times as high.

Telcan Co. indicated that it won't meet its planned deadline of pre-Christmas marketing this year in England, meanwhile. It's now quoting early 1964 for sampling British market, with U.S. arrangements possible by fall of 1964.

"We will continue to watch its progress," an official of the U.S. manufacturer said, "but at present there are too many shortcomings for us to be interested."

DISCOUNTER RALLIES COMPETITORS FOR PRICE FIGHT: Going Zenith & Motorola one step better in their campaigns to recruit distributor & dealer support for Quality Stabilization legislation (Vol. 3:28 p9 et seq.), a small Rhode Island discounter has triggered regional counter-offensive that well may become pattern for protest throughout country.

Dismayed by discount industry's general apathy in face of growing support for QS legislation, Irwin Chase, pres. of Ann & Hope Factory Outlet Inc. (150,000-sq.-ft. company-operated discount dept. store in Cumberland, 165,000-sq.-ft. branch in Warwick), fired off letter to competitors which read in part:

"We are taking steps to combat this bill and we urge you, as a fellow discounter, to do the same... We urge you, for our common protection, to write letters yourselves to all your Congressmen & Senators. . . We are also considering a plan whereby we will print postcards for our customers to send to their national representatives. Don't you think we all should do this at the same time. . . ? Would you be interested also in joint ads in the newspapers with coupons for readers to send to their representatives. . . ?"

Chase told us his proposals presently are in "a discussion stage with our competitors." He's held one meeting so far with interested competitors, has follow-up session scheduled for near future. Indicative of interest in Chase plan, initial meeting attracted representatives of such discount superchains as Zayre, which operates 53 stores across country from its Natick, Mass. hq. Zayre told us

their representative would attend 2nd Chase meeting, added: "We're interested in anything that can stir interest in this bill & alert the public to what it really means to them."

Despite fact that discounters "are the main targets of this legislation," noted "Discount Store News" editorially in July 29 issue, "little opposition, except for the National Assn. of Mass Merchandisers, has come from discount stores. . . One exception to the rule is Ann & Hope."

Chase explained discount industry's apathy this way: "Old industries are sophisticated but new ones, like the discount industry, never seem able to get together on joint problems. Everyone seems too interested in his own problems. There's a tendency for everyone to let 'George' do it. We thought of our approach as a means to get the ball rolling at least on the local level."

To get ball rolling, each Ann & Hope employee has fired off postcard to Rhode Island Congressmen urging rejection of QS bill. Company has petitoned state's Congressional delegation to vote against bill, warning in letter that should bill pass, "the jobs of each & every one of our employees will be endangered & the cost of living for Rhode Islanders will rise to an alarming degree."

TV SETS AT THE 'FIVE & DIME': As if things weren't tough enough for TV retailers, new competition is developing quietly but progressively in unexpected area—the traditional "five & dime" store.

With little fanfare, such bellwethers as Woolworth & Kresge are making their first serious bid for sizable chunk of TV business via recently established discount subsidiaries, we learned in conversations with industry leaders last week. Others, encouraged no doubt by recent successful entry of variety stores in TV field, notably J. C. Penney (Vol. 2:52 p8), are sampling TV sales in their conventional stores. S. H. Kress, for example, we learned, is now pilot selling portable TVs & even consoles in some 15-20 of its 272 stores.

It's too early to gauge market-share potential of five-dime competition, but Woolworth & Kresge expansion plans for their discount offshoots are well worth noting. Former's Woolco Dept. Stores Div. now numbers 8 giant discount stores, has 3 more slated for opening this fall. Kresge's K-Mart Div. opened year with 18 major discount outlets, will close year with 50. How much traffic will they generate? Financial Vp & Treas. J. E. Hearst estimates: "The 50 K-Mart stores that will be in operation by the end of 1963 should have annual sales of no less than $3.5 million each."

Composite "five & dime" retailer, we found, sells brand-name TVs, does not carry color sets yet, offers credit, delivery & installation services. Here's summary of our roundup of five & dimers:

Woolworth sells virtually no TVs via its traditional outlets. Several stores may carry a TV piece or two, we were told, but over-all picture is so minimal that it's "hardly worth talking about." Situation is completely different at Woolco Div. Each of 8 Woolco stores has TV dept. & "we will have TV depts. in all future Woolco stores," we were told by R. Van Overschelde, buying supervisor. Woolco carries only name brands, sells no color sets, private labels or imports. Some departments are Woolco-operated, others leased. "At the moment I have no preference," Overschelde said, "because we're too new at it. It all depends on the kind of deal we can make in the particular area. If we can get a good lessee we lease. If we can't, we operate ourselves."

Kresge has been selling TVs in its conventional stores for about 3 years, but "they haven't set the world on fire," we were told by K-Mart Merchandising Vp C. M. Booker. "We sell TVs in all K-Marts and they'll be in all future K-Mart stores. We regard them as something that's needed for the complete store. We don't make a long profit on them, but they contribute to the image." K-Mart has both leased & operated TV departments, he told us, "and there are advantages both ways. However, we've had no problem operating our own TV departments and I believe eventually they'll be company operated." K-Mart also sells only national brands—and no color. Booker agreed that competition sometimes develops between a Kresge store and a K-Mart. When this happens in the same shopping area, however, "the Kresge will meet our price on the TV."

W. T. Grant is now selling private-labeled Bradford TVs in 350-375 of its 1,070 traditional stores, and so far offers TVs in only one of its 7 DisKay Discount Marts, in Gary, Ind. That DisKay store took over a Grant outlet that had been selling TV, Grant spokesman told us. "We have no plans at

this time for extending TV to our other DisKay stores," he said, pointing out that the Gary, Ind. outlet is larger than most DisKay stores and has ample room for TV display.

Space is factor in Kress's selection of TV test stores, we were told by home furnishings Merchandising Mgr. G. N. League. "The test stores are new, larger shopping center outlets," he explained, and "they run to 30-40,000 sq. ft. Previously, our stores were 25,000 sq.ft." He said TV sales test has been going on for about 6 months and expansion of program will depend upon evaluation of test data. "Credit is most important," he told us, "and we put TVs in only stores that offer credit." Kress is testing both branded and non-branded TVs, stocks only floor samples, contracts for TV supplier to furnish delivery & installation services. Test is centered mainly in Cal. & Fla. stores, but outlets in N. Y. & N. J. also are involved.

Not all five & dimers are interested in TV. Bargain World Stores, discount offspring of G. C. Murphy variety chain, sold portable TVs for 6-month period 2 years ago & "never again," we were told by Merchandising Mgr. J. E. Brant. "We had more complaints than sales, and we wound up taking a lot of the sets back and selling them in lots." Bargain World sold only imported Japanese portables, Brant explained, "and the big headache was service." He concluded: "We had fair sales but we're not at all interested now. We'll leave the TVs for the appliance boys."

McCrory Stores Corp. sells some TVs in some selected stores, but not in its 24-store Gulf Mills discount division, based in Mobile, Ala. Gulf Mills Vp-Gen. Mgr. Miles J. Ellis summed up no-TV policy: "We don't sell TV sets for 2 basic reasons—we operate small stores & we're cash only."

* * * *

TV sets are included in J. C. Penney's first general merchandise catalog, marking its full-fledged entry in mail order field. Giant variety chain is now distributing 1,252-page fall & winter book with 85,000 individual items. Pres. William M. Batten also said catalog centers are planned eventually for all Penney stores, estimated catalog desks would be opened in 123 stores by "end of the year."

FM STEREO STATIONS PASS 250: New information indicates that there are now some 259 FM stations in U.S. and 12 in Canada—for total of 271—broadcasting in FM stereo. At least 40 of these—probably far more—broadcast their entire schedules stereophonically.

Based on recent data—including FCC notifications, reports from stations themselves and survey by Zenith Sales Corp.—these new stereocasting FM stations should be added to our previous lists (Vol. 3:20 p 11, 28 p 3):

California—Fremont, KHYD; Los Angeles, KFAC-FM; San Jose, KEEN-FM. Colorado—Denver, KFML-FM; Manitou Springs, KCMS-FM. Georgia—Columbus, WRBL-FM. Illinois—Champaign, WLRW. Indiana—Greenfield, WSMJ; Indianapolis, WFMS. Kansas—Wichita, KCMB-FM. Maine—Caribou, WFST-FM. Michigan—Saline, WOIA-FM. New York—N. Y., WABC-FM. Ohio—Hamilton, WFOL. Tennessee—Greenville, WGRV-FM. Wisconsin—Kenosha, WLIP-FM; Madison, WRVB-FM; Wausau, WSAU-FM.

With coming of fall, FM stereo activity should quicken, and it now seems possible that there will be as many as 300 stereo stations on air by year's end.

TV-RADIO PRODUCTION: EIA statistics for week ended July 26 (30th week of 1963):

	July 20-26	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV...	117,932	104,071	103,990	3,859,131	3,631,910
Total radio	251,934	261,989	310,237	9,591,705	10,398,695
Auto radio	66,186	84,004	96,783	4,107,079	3,675,423

Trade Personals

Ronald N. Campbell & **George L. Wilcox** elected vps of Westinghouse; responsibilities of Campbell, former vp of residential heating & central air conditioning, will include consumer groups, headed by Vp **Chris Witting.** Other new appointments by new **Pres. Donald C. Burnham** include: **Marshall K. Evans,** former management services vp, now operations staff vp; **A.C. Monteith** senior vp; **Douglas D. Danforth** succeeds Burnham as industrial group vp... **James Farnell** has resigned as Westinghouse radio & phono product mgr., no successor yet designated.

Douglas Y. Smith, RCA Electronic Components & Devices vp, is recuperating at Memorial Hospital, Morristown, N.J., from mild coronary suffered July 18.

Stanley W. Horrocks resigns as Hoffman Electronics pres. because of "difference in management principles," succeeded by **H. Leslie Hoffman** who also continues as chmn.

Thomas A. Boyd, GT&E exec. vp-finance, retires Nov. 1, will be succeeded by **John J. Douglas. Robert J. Gressens** will succeed Douglas as pres. of subsidiary Lenkurt Electric.

Joseph A. Gill appointed industrial relations mgr., Sylvania Home & Commercial Electronics Div., succeeding **Bruce C. Hoeffel,** resigned.

Eric Smith appointed Clairtone Sound gen. sales mgr. for Canada... **William H. Hummel** named mfg.-engineering mgr., GE audio products dept., succeeding **Julius W. Vetter.**

Frederick L. Kuhne, ex-Motorola N.Y. gen. sales mgr., named to new post of metropolitan N.Y. district sales mgr., Pilot Radio.

Edward Foster named head of CBS Labs' magnetic transducers section.

Obituary

Mark W. Cresap Jr., 53, recently resigned Westinghouse pres. (Vol. 3:29 p10), died July 28 in Presbyterian-University Hospital, Pittsburgh, following surgery for gastric hemorrhage. He had been reported improving from July 17 operation, took sudden turn for worse July 27. He joined Westinghouse in 1951 as vp., became pres. 7 years later at age 47. He is survived by widow, son & daughter.

Rectangular color tube is being demonstrated by National Video to its set-making customers. Although it can't accept orders for delivery this year—it's committed to satisfy Motorola's needs before delivering to other customers—Pres. Asher Cole says delivery of the 23-in. rectangular 90-degree tube to other set makers will begin next year. Meanwhile, Corning is continuing development work on 25-in. rectangular color bulb. Although final parameters haven't yet been set, fairly large-scale sampling is expected to begin in Sept. with bulb production probable within a year.

Retail sales of Magnavox products totaled $174,588,000 last year, according to company's trade ads. Magnavox says its top 10 dealers each averaged $1,398,000, top 100 averaged $665,390.

May factory sales of TV picture tubes edged upward to 703,393 units from 703,255 in May 1962, but dollar value, reflecting declining prices, shrank more than $800,000 to $12,888,058 from $13,676,659. Cumulative unit & dollar sales continued to trail a year ago, down nearly 54,000 units & $3 million from 1962's Jan.-May pace. Receiving tube sales continued downward slide, declined in May to 26,662,000 units from May 1962's 30,341,000. Dollar value dropped to $21.6 million from $25.5 million. Year to date sales showed 136,855,000 tubes at $113,944,000—down sharply from 1962's 5-month sales of 153,854,000 units at $129,753,000. Here are EIA's figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	890,246	$16,846,046	27,025,000	$ 22,524,000
February	636,392	11,990,596	26,382,000	22,354,000
March	760,524	14,223,503	30,285,000	25,643,000
April	761,073	14,197,385	26,167,000	21,521,000
May	703,393	12,888,058	26,662,000	21,600,000
Jan.-May 1963	3,761,628	$70,145,588	136,855,000	$113,944,000
Jan.-May 1962	3,815,355	$73,079,850	153,854,000	$129,753,000

Japanese TV manufacturers have agreed to establish minimum factory prices for sets bound for U.S. Subject to approval by Ministry of International Trade & Industry, 17 set makers approved plan to permit EIA of Japan to set price floors on 4 TV categories—19-in., 16-in., 5-6-in. & smaller than 5-in. Minimums would apply to price paid manufacturer by exporter, not price paid by U.S. importer. Plan is expected to become effective Sept. 1. There was no official reaction, meanwhile, from parties involved or from Japanese govt., to Symphonic's suit against Nippon Electric, charging that Japanese business practices are basic violations of Sherman Anti-Trust Act (Vol. 3:29 p7). Unofficially, importers & Japanese manufacturer representatives here were inclined to look at case as basically a contract dispute between Symphonic & NEC. As to anti-trust aspects of case, feeling was that Japanese business organization & methods had been at least tacitly approved by U.S. govt. Said one spokesman: "Minimum prices are good for the industry. If they were declared illegal, some manufacturers would jump for joy and start unloading immediately."

Warwick & Zenith were turned down by FCC, in their petitions that Commission reconsider its decision permitting uhf stations to use aural power 10% that of visual. Petitioners urged that fringe-area reception would suffer. but FCC asserted: "In our judgment, virtually all of the significant degradation of sound service will occur in areas where the picture obtainable is unusable or at best severely degraded." WNEP-TV (Ch. 16) Scranton-Wilkes-Barre had told Commission aural power reduction will save it $5,000 in power, $6,000 in tube rentals, per year.

Zenith has revised prices on color sets with Space Command remote control, cutting suggested lists of some models $50-$75. Meanwhile, Zenith announced it is entering antenna business, supplying its distributors with full line of indoor & outdoor vhf, uhf & FM antennas, including hardware & accessories.

RCA & Indiana General have signed licensing agreement covering soft ferrite materials & apparatus and processes for making & testing ferrites & devices.

(Continued from Page 12)

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Sangamo Electric	1963—6 mo. to June 30	$ 25,869,000	—	$ (296,000)	—	1,637,617
	1962—6 mo. to June 30	24,379,000	—	(494,000)	—	1,637,161
Standard Kollsman Industries	1963—6 mo. to June 30	36,172,429	$ 591,408	280,764	.12	2,254,296
	1962—6 mo. to June 30	46,157,144	2,332,797	1,420,497	.63	2,179,686
Stewart-Warner	1963—6 mo. to June 30	66,419,480	8,747,488	4,222,488	1.21	3,482,449
	1962—6 mo. to June 30	60,598,598	7,732,976	3,812,976	1.09[12]	3,321,421[12]
	1963—qtr. to June 30	33,313,890	—	2,159,437	.62	3,482,449
	1962—qtr. to June 30	31,171,420	—	2,069,319	.59[12]	3,321,421[12]
Technicolor	1963—6 mo. to June 29	38,288,423	—	1,703,199	.64	2,655,921
	1962—6 mo. to June 29	27,609,554	—	828,607	.31	2,623,218
Texas Instruments	1963—6 mo. to June 30	128,250,000	11,109,000	5,256,000	1.31[5]	3,951,661
	1962—6 mo. to June 30	119,736,000	9,222,000	4,784,000	1.19[5]	3,947,161
	1963—qtr. to June 30	68,453,000[6]	5,733,000	2,801,000	.70[5]	3,951,661
	1962—qtr. to June 30	62,253,000	4,559,000	2,373,000	.59[5]	3,947,161
Warner Bros. Pictures	1963—9 mo. to June 1	67,560,000	9,461,000	4,961,000	1.02	4,850,052
	1962—9 mo. to June 1	59,543,000	10,969,000	5,569,000	1.15	4,830,052
Wells-Gardner	1963—6 mo. to June 30	9,643,000	—	131,000	.31	422,400
	1962—6 mo. to June 30	9,307,000	—	246,000	.58	422,400
	1963—qtr. to June 30	5,879,000	—	184,000	.43	422,400
	1962—qtr. to June 30	4,927,000	—	184,000	.43	422,400
Zenith	1963—6 mo. to June 30	166,289,000[6]	—	7,654,000[6]	.84	9,113,196
	1962—6 mo. to June 30	145,997,000	—	6,983,000	.77	9,033,177
	1963—qtr. to June 30	74,022,000[6]	—	2,591,000[6]	.28	9,113,196
	1962—qtr. to June 30	64,476,000	—	2,254,000	.25	9,033,177

Notes: [1]Before capital gains of $354,000 (8¢ a share). [2]Before $157,000 capital loss. [3]Before $231,000 (5¢) capital gains. [4]Before $24,000 capital loss. [5]After preferred dividends. [6]Record. [7]Includes $356,000 special credit. [8]Includes $450,000 special credit. [9]Includes $178,000 special credit. [10]Includes $225,000 special credit. [11]Includes capital gains equal to 11¢ a share. [12]Adjusted to reflect Sept.-1962 5% stock dividend. [13]Before special $3,350,000 (81¢) charge for phasing out East Coast semiconductor operations (Vol. 3:10 p 10) reduced earnings to $309,000 (4¢). [14]Adjusted to reflect Jan.-1963 5% stock dividend.

Zenith's Record Results: Zenith reported record sales & earnings for both 2nd quarter & first half, its 6-month sales increasing 14%, earnings 10% over record 1962 period, while 2nd-quarter sales & earnings were both up 15% over previous record year ago (see financial table).

Company said color TV "contributed substantial increases in sales volume & profits" and that distributor sales of Zenith color sets increased nearly 100% over first-half 1962. (Zenith Sales Corp. Pres. Leonard C. Truesdell last week predicted his company would sell 200,000 color sets this year.) B&w set sales volume also reached new first-half record.

Pres. Joseph S. Wright, addressing Security Analysts of San Francisco last week, predicted 1963 b&w sales of about 6.5 million sets, with at least 650,000 color sets, for total of more than 7 million TVs this year. As to Rauland's new color tube plant—"one of the most up-to-date, automated electronic factories in the world"—it is now supplying tubes to Zenith and eventually "we will be self-sufficient in color tubes, just as we are in b&w."

Although Zenith is continuing to expand its military & industrial electronics horizons, said Wright, "we intend to keep our solid consumer base, and have no intention of getting into a position where the cancellation of one contract. . .could seriously affect our business."

Magnavox, which reported sales & profits sag in 1963's 2nd quarter (Vol. 3:30 p12), expects total year profits to rise to "better than $2 a share" from 1962's $1.73, Pres. Frank Freimann said. Anticipated 15% earnings gain is down from 20% gain forecast by Freimann during May annual meeting. Magnavox has increased percentage of consumer vs. military sales. For 1963, military electronic sales will approximate 25% of total, down markedly from 45% in 1962. Freimann also emphasized that "our color TV sales this year will be 3 to 4 times those in 1962 and for the first time we'll make some money on color sets."

WJAR-TV Providence broadcast operations produced $432,406 of Outlet Co.'s total $4,052,338 revenues in fiscal quarter ended April 27 (Vol. 3:26 p12). This was down from $646,501 a year earlier, resulted from "recent entry into this TV market of a 3rd station in a formerly 2-station market." However, company said, "it is expected that the remaining 9 months will show less of a decline in broadcasting revenue than was experienced in the first 3 months."

Ampex executives' salaries & stock holdings, as reported in proxy for Aug. 27 annual meeting: Chmn. Alexander M. Poniatoff, $55,016 & 5,500; Pres. William E. Roberts, $90,012 & 13,000; vp Robert Sackman, $45,006; treas. & finance vp John P. Buchan, $45,006.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
AB-PT	1963—6 mo. to June 30	—	$ 8,877,000	$ 4,219,000[1]	$0.95	—
	1962—6 mo. to June 30	—	11,976,000	5,553,000[2]	1.24	—
	1963—qtr. to June 30	—	3,890,000	1,830,000[3]	.41	—
	1962—qtr. to June 30	—	5,534,000	2,511,000[4]	.56	—
Arvin Industries	1963—6 mo. to June 30	$ 46,633,000	2,627,000	1,213,000	.93	1,306,272
	1962—6 mo. to June 30	40,108,000	2,108,000	1,007,000	.77	1,304,897
	1963—qtr. to June 30	24,519,000	1,494,000	678,000	.52	1,306,272
	1962—qtr. to June 30	21,294,000	1,128,000	535,000	.41	1,304,897
Clevite	1963—6 mo. to June 30	53,083,801	6,829,092	3,364,092	1.74[5]	1,902,137
	1962—6 mo. to June 30	53,555,494	7,961,108	3,879,108	2.01[5]	1,893,033
	1963—qtr. to June 30	27,808,749	—	1,913,402	.99[5]	1,902,137
	1962—qtr. to June 30	27,583,000	—	2,027,000	1.05[5]	1,893,033
Dynamics Corp. of America	1963—6 mo. to June 30	37,659,874	3,738,474	2,010,292	.52	—
	1962—6 mo. to June 30	41,825,049	4,679,259	2,100,256	.56	—
Fairchild Camera & Instrument	1963—6 mo. to June 30	56,785,000	—	651,000[7]	.26	2,535,583
	1962—6 mo. to June 30	49,486,000	—	2,844,000[8]	1.12	2,526,083
	1963—qtr. to June 30	30,155,000[6]	—	505,000[9]	.20	2,535,583
	1962—qtr. to June 30	25,602,000	—	1,492,000[10]	.59	2,526,083
General Bronze	1963—6 mo. to June 30	8,825,045	(165,063)	(165,063)	—	391,820
	1962—6 mo. to June 30	8,071,763	13,695	13,695	.03	391,820
Globe-Union	1963—6 mo. to June 30	31,557,456	1,159,824	609,824	.46	1,319,675
	1962—6 mo. to June 30	31,881,107	2,675,990	1,236,990[11]	.94	1,319,675
Hoffman Electronics	1963—6 mo. to June 30	16,457,121	—	(176,041)	—	1,538,888
	1962—6 mo. to June 30	22,066,363	—	(67,557)	—	1,537,312
Indiana General	1963—6 mo. to June 30	—	1,442,570	740,370	.64	1,150,002
	1962—6 mo. to June 30	14,168,000	2,463,452	1,188,052	1.03	1,150,002
Instruments for Industry	1963—6 mo. to June 30	1,043,248	29,032	29,289	—	—
	1962—6 mo. to June 30	761,723	(19,364)	(18,896)	—	—
Minnesota Mining & Mfg.	1963—6 mo. to June 30	362,313,074	86,369,069	42,069,069	.81	52,257,057
	1962—6 mo. to June 30	334,512,372	81,350,260	38,750,260	.75	51,823,123
	1963—qtr. to June 30	190,177,942[6]	46,353,063	22,453,063[6]	.43	52,257,057
	1962—qtr. to June 30	172,826,699	41,775,608	19,775,608	.38	51,823,123
Muter	1963—6 mo. to June 30	7,910,472	199,132	101,084	.08	1,257,695
	1962—6 mo. to June 30	8,109,340	289,340	142,977	.11[14]	1,199,094
National Co.	1963—6 mo. to June 30	4,147,000	—	31,000	.03	804,246
	1962—6 mo. to June 30	4,805,000	—	112,000	.13	802,779
National Video	1963—year to May 31	16,455,217	—	180,713	.15	1,233,334
	1962—year to May 31	18,433,163	—	934,281	.76	1,233,334
Oak Mfg.	1963—6 mo. to June 30	19,999,283	1,076,491	505,491	.74	687,074
	1962—6 mo. to June 30	15,769,956	1,263,018	620,568	.95	655,824
	1963—qtr. to June 30	10,653,950	573,806	264,806	.39	687,074
	1962—qtr. to June 30	8,354,154	693,555	344,555	.53	655,824
Raytheon	1963—6 mo. to June 30	254,825,000	8,054,000	3,659,000[13]	.85[5]	4,125,238
	1962—6 mo. to June 30	312,759,000	11,136,000	5,336,000	1.29[5]	4,011,326
	1963—qtr. to June 30	128,416,000	3,908,000	1,743,000	.40[5]	4,125,238
	1962—qtr. to June 30	155,425,000	5,917,000	2,837,000	.69[5]	4,011,326
Reeves Bcstg. & Development	1963—6 mo. to June 30	2,754,400	230,700	100,900	.07	1,408,893
	1962—6 mo. to June 30	2,301,700	12,100	7,600	.01	1,408,893

(Continued on Page 11)

NAB LIBRARY

WEEKLY

Television Digest

with

Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

AUGUST 12, 1963 NEW SERIES VOL. 3, No. 32

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

THE FULL SCHEDULE OF BILL HENRY—who talks about selling & donating political time, rejects rumors of aspirations for Congress, meets ad men, concludes Omaha report (p. 1).

UHF—HOPES & FEARS, FITS & STARTS—stirs concern as KIIX Los Angeles runs into trouble, one of first to retrench since all-channel-law (p. 2).

CONGRESS'S PENDULUM SWINGING BACK? Maybe so—as legislators begin to worry about giving too much power to FCC and other agencies (p. 2).

FIGHTING FCC COMMERCIAL CEILING, broadcasters report support from congressmen who plan to introduce bills, resolutions (p. 3).

TENSION IN RATING REFORM DEVELOPMENTS: RAB seeks more money; Harris staff again talks of 'exploring legislation;' WAME suits dismissed (p. 3).

Consumer Electronics

TV IMPORTS THIS YEAR will total about 400,000, of which half will be transistorized; first-half pace is 4 times higher than '62 (p. 7).

TELCAN FOCUSES INTEREST on home video tape, but neither U. S. nor Japanese firms believed close to success; British development viewed with enthusiasm by laymen, but engineers are still dubious (p. 7).

RCA & COLOR featured in 3 major articles in 7-day span; Sarnoff claims No. 1 position for RCA in consumer electronics, says color dollar volume may exceed b&w within 3 years (p. 8).

TOP TV BRANDS in 11 more markets are listed on basis of personal interview surveys by newspaper ad departments; RCA first in 10 markets (p. 8).

PHILIPS TESTS TUBE MARKET, will judge future after 'more experience.' Kataoka to make GI uhf tuners (p. 11).

THE FULL SCHEDULE OF BILL HENRY: FCC Chmn. Henry leaves for Chicago this week, speaks on international communications Aug. 14, at convention of American Bar Assn., then goes back to Memphis, hoping for a vacation. He figured in news last week:

(1) During interview with columnist Charles Bartlett, he suggested that if stations sell political time, they should also be required to donate equal amount of time—to be divided among candidates for the office involved. "I suggested it only as a point of discussion," he said. "I'm interested in full discussion of controversial issues. Bartlett had asked me about cutting down political broadcasts, because of the costs of campaigning. I told him that I'm against that, that we favor more discussion."

(2) Is he planning to run for Congress from Tennessee? "I'll be in my office as chairman on Nov. 1964. That reminds me of the talk about Romney—that he wasn't running but wasn't locking the door. Well, I'm locking the door."

(3) He met with broadcast committee of AAAA in N.Y. Aug. 5, told us: "I found the talk with the ad agency people very constructive to me. And I think they may have noticed the absence of horns on my head. Our interests coincide in some ways. They believe in diversity of programming, would like to see more clearances and sponsorship of public affairs programs. But they're not unanimous. They talked more about 'clutter' than overcommercialization. We discussed more stations, uhf, local live vs. film. I invited them to file comments on our commercial rule-making. I suggested they invite Cox & Loevinger up for a meeting, too, and they said they would."

(4) His report on Omaha local-live hearing is due out this week. "It will be long," he said, "but I just couldn't avoid it."

Foregoing is just what's above the surface in Henry's iceberg of work—but he's young & healthy, seems to thrive on it.

UHF—HOPES & FEARS, FITS & STARTS: FCC is trying to be cautious & realistic about uhf while promoting it at same time—seeking to broaden public's choice of TV programs while avoiding charges of enticing entrepreneurs into losing their shirts.

Thus, when new KHX (Ch. 22) Los Angeles, on air since March and aimed at Negro audience, cuts personnel, seeks refinancing, limits offering to 2 hours of film nightly, a chill runs through many quarters.

Los Angeles is supposed to be prize uhf market, conversions running some 2,000 weekly, and Spanish-language KMEX-TV (Ch. 34) said to be coming along fairly well.

FCC's uhf enthusiast Comr. Lee said he'd look into Los Angeles situation right away when he heard reports. "Perhaps," he mused, "we should have stiffer financial requirements for uhf applicants." Last thing he & rest of commissioners want to do is to be responsible for another uhf boom & bust.

FCC recently sent its periodic query to idle uhf CP-holders, including those which once operated, asking for their plans. Replies are still arriving, but 2 former operators have said they're turning in their suits—WGLV (Ch. 57) Easton, Pa., which operated 1953-57, and WHUM-TV (Ch. 61) Reading, Pa., on-air 1953-56. Quite a few letters were returned by Post Office with "no longer in business" notations.

There is long-range enthusiasm, nonetheless. We've checked out all applications filed with FCC since Jan. 1, found following: 48 uhf (13 of them ETV), 15 vhf (2 ETV). Of the vhfs, 6 were for channels now occupied by stations given short licenses after "influence" decisions (Boston, etc.)—thus, shouldn't really be counted.

All-channel-set law is what sparked uhf resurgence, of course. Some applicants are experienced broadcasters, hoping to make out soon in large markets. Others quietly & frankly intend to grab a channel and hold it until risk seems reasonable. And a few are starry-eyed novices oblivious of uhf's pains & strains of the 1950's.

CONGRESS'S PENDULUM SWINGING BACK? You'll recall how Congress, particularly Rep. Harris (D-Ark.) & his investigating subcommittee, ripped FCC mercilessly for failure to keep firm hand on industry. It's pretty clear now that New Frontier has gone too far for many, including Harris, to stomach.

Once upon a time, there were influence-peddling, quiz scandals, payola. Prodded by Congress, FCC jumped to attention, started clamping down. (Similar trend applies to other agencies—FTC, FPC, etc.) But broadcasters are up in arms, going directly to their congressmen, getting action.

Recent House hearings on editorializing were typical (Vol. 3:20 p3), congressmen heatedly asking FCC where it gets its authority to encourage or discourage editorializing. There's nothing "specific" about it in Communications Act, they assert, wondering whether Congress has given away too much power to "agencies downtown."

Most outspoken on issue is Rep. Rogers (D-Tex.), member of Commerce Committee and chmn. of Communications Subcommittee. "Delegated power begets power," he told us. "The FCC is an arm of Congress created to administer the rules Congress sets down. If the tail is beginning to wag the dog, then something should be done about it."

FCC has gone too far with its proposal to limit commercials, Rogers stated. "It should be the subject of legislative hearings." Previously, he challenged FCC's new license fees, introduced bill to prohibit them "unless specifically permitted by law." It's not that he thinks fees are necessarily wrong, he said, but that FCC's authority comes from general statement in 1951 appropriations act. His point is that if there are to be fees, Congress should authorize them specifically. He recently told constituents: "In my view, Congress should set to work to restore to itself authority passed along over the years to regulatory agencies."

Commerce Committee Chmn. Harris has recently challenged FCC on several matters, telling it to keep hands off CATV, goading it to grant experimental superpower on clear channels, questioning its handling of equal time in some instances. Rep. Moss (D-Cal.) is a sharp needler, too.

Issue crosses party lines. GOP Reps. Bennett (Mich.) & Hall (Mo.) were among most persistent advocates of need for congressional authority for broadcast editorializing. Hall even wants to regulate network documentaries—somehow.

Sen. Bartley (D-Alaska) introduced a congressional reorganization bill which would include a check on agencies. Said he: "I feel Congress needs some systematic means of reviewing these administrative actions." Rep. Dorn (D-S. C.), at editorializing hearings, said that all agency rules should be reviewed by Congress before they go into effect; this doesn't have much of a chance—because it would load Congress with impossible pile of detail. It was precisely because of this that the agencies were created. But Rogers looks at it this way: "If Congress is too busy to conduct the business of the nation, then something is wrong."

Most of reason for the pulling-&-hauling is President Kennedy's theory of "strong" regulation and his choice of appointees who agree—such as Minow & Henry at FCC, Elman at FTC, Swidler at FPC.

Swing of pendulum toward stronger regulation is slowing up, may reverse before long.

FIGHTING FCC COMMERCIAL CEILING: Broadcasters' direct appeal to their congressmen, about FCC's proposal to limit commercials, is beginning to show some results.

Rep. Weltner (D-Ga.) has drafted, not yet introduced, bill forbidding FCC from imposing "specific limitations" on commercials. However, draft also says FCC has right to consider commercial abuses in weighing license renewals. GAB & NAB scarcely had this in mind, spokesmen calling it "damaging." Weltner told us it merely "restates the power FCC already has," but said he's not sure whether he'll introduce present version or draft another.

Rep. John Davis (D-Ga.) wrote FCC Chmn. Henry about commercials, as have most of Ga. delegation. He said there's nothing wrong with FCC "guidelines," but he frowned on "limits." This, he said, could lead to govt. limitation on station profits.

Tenn. Assn. of Bcstrs. is considering asking its delegation to introduce resolution against commercial ceiling. F. C. Sowell (WLAC Nashville), TAB legislative committee chmn., said congressmen backed TAB's position during recent meetings (Vol. 3:30 p 5), firmly believes delegation would support it strongly. Nashville Advertising Federation last week passed resolution attacking FCC proposal.

TENSION IN RATING REFORM DEVELOPMENTS: Problems on road to rating reform: (1) To help finance its proposed $200,000 radio methodology study, RAB has opened membership doors to all persons & organizations allied to aural medium. (2) Harris Subcommittee staff member, watching Nielsen & NAB parry & thrust, comments: "If NAB needs Nielsen more than Nielsen needs NAB, then perhaps legislation should be explored." (3) WAME Miami ran into courthouse wall, in litigation against rating firms, dismissed its suit against Pulse, had suit against Nielsen thrown out for 2nd time. (4) WFIL TV & radio Philadelphia, mirroring broadcaster concern over pending increases in cost for improved research, asked ARB to increase sample size but decrease number or reports, to equalize costs.

RAB associate memberships are now open to attorneys, syndicators, producers of commercials & station aids, station brokers, equipment manufacturers, etc. Up to now, only stations, representatives, networks have been members.

"There is urgent need for additional financial support of RAB at this juncture," said Pres. Edmund Bunker. "We are [seeking it] from those whose prosperity is dependent on the radio medium."

Bulk of new funds for research, however, will have to come from increase in regular membership, said Miles David, administrative vp, stating that RAB soon will announce signing of another station group. Bureau also outlined its methodology study to Advertising Research Foundation, received favorable reaction, we were told. Next step is to present it to ARF's technical committee for evaluation.

NAB Research Committee is to make final recommendation by mid-Sept. on whether to co-finance RAB's proposed study. Field work on RAB's study, scheduled to start in Sept., will probably be delayed, though some pre-testing may get started.

NAB meanwhile emphasizes that development of Rating Council plan is going ahead with or without Nielsen—though it would prefer inclusion of the dominant network TV rater (Vol. 3:31 p3). Pres. Collins wrote Nielsen Sr. outlining once more NAB's position, but there's still no final word from Chicago major domo.

Harris staff reasons this way: Ratings hearings showed abundance of weaknesses in ratings systems, but Congressmen were willing to let industry attempt its own clean-up; if major forces can't get together, then perhaps legislative avenues—already considered—should be explored again.

After federal court in Miami dismissed WAME's suit against Pulse for "lack of jurisdiction"—meaning suit was inadequate—station then said it was dismissing suit, Pulse reported. And WAME's amended complaint against Nielsen was also dismissed; station can refile (Vol. 3:29 p3).

WFIL stations asked ARB to increase sample from 490 to 2,400, decrease reports from 10 per year to 4. These steps, said John Wade, stations research dir., would "provide greater stability and validity," especially when data has to be fed into agencies' computers, and also would be within "economic capabilities" of broadcasters.

A disclaimer would also be added by Philadelphia stations when research data appears in print: "Caution! Ratings and homes reached are estimates only, subject to defects and limitations of source materials and methods. These source materials have not been approved or disproved by the station."

Pulse announced it's discontinuing coincidental interviewing, used as a means to supplement its roster recall method. In doing so, it will increase recall interview sample.

CAPSULES

Reports that cut in multiple ownership was favored by 4 FCC members, in recent discussion, are unfounded, according to Commission sources. What happened: Comr. Loevinger learned for first time that ownership ceiling is 21 stations—7 TV, 7 AM, 7 FM—instead of total of 7. He asked colleagues why. Discussion thereafter disclosed no indication that majority wants to lower ceilings. Staff has long studied multiple ownership, might recommend cut, sooner or later.

Communications Satellite Corp. last week answered FCC's charge that it was dragging its feet on public stock offering (Vol. 3:30 p5). Chmn. Leo Welch, in barbed letter to FCC Chmn. Henry, said stock would be available by "early part of 1964," called Commission's recent criticism "an invasion of the firm's managerial functions." He said timing of stock sale would be determined by directors appointed by President Kennedy, disagreeing with FCC's contention that representatives of stockholders should be serving on board. In Senate hearings on $5.5 billion appropriations for NASA, Sens. Kefauver (D-Tenn.) & Morse (D-Ore.), others, argued against a $44 million research measure for communications satellites. They repeated charges of "giveaway," fought for amendment to provide reimbursement by ComSat for proportionate share of costs. Senate voted instead that none of NASA's funds could be used for "exclusive" benefit of private corporations without reimbursement. Space company also announced that RCA, AT&T and Hughes Aircraft have been selected to do studies on "multiple access techniques."

Foreign-language channel has been added to TeleGuide's closed-circuit feed to 37,720 rooms in 41 N.Y. hotels. Using Ch. 13, 7:30 a.m.—1 a.m. daily, half-hour films touting city's attractions are presented in French, Italian, German, Portuguese, Spanish & Japanese—Pan American sponsoring. English service has been operating 18 hours daily on Ch. 6 since June.

New ad guidelines for arthritis & rheumatism products adopted by NAB, endorsed by Arthritis & Rheumatism Foundation: (1) Positive disclosure made that product effectiveness is temporary relief of minor aches & pains. (2) Claims & demonstrations should be consistent with limitations on labeling. (3) Substantiation of product claims using bona fide studies & experts. (4) Advise prolonged sufferers to see physician.

UPCOMING STATIONS: WHYY-TV (Ch. 12 ETV) Wilmington, Del. has Sept. 12 programming target, reports Gen. Mgr. Richard S. Burdick. GE transmitter is being installed at Glassboro, N.J. site; studios will be at Fifth & Scott Sts., Wilmington, & at WUHY-TV (Ch. 35) Philadelphia. It will use 864-ft. Stainless tower.

KFME (Ch. 13 ETV) Fargo, N.D. plans programming about Nov. 1 after Oct. 14 tests, says Gen. Mgr. Clair R. Tettemer, ex-KTCA-TV St. Paul ETV. RCA transmitter is being installed and antenna is being prepared for placement on 426-ft. self-supporting Blaw-Knox tower.

WEIQ (Ch. 42 ETV) Mobile, Ala. will be on air "between Oct. 1 and Dec. 31," according to Raymond Hurlbert, gen. mgr. of Ala. chain of ETV stations. Studio-transmitter building construction has been finished. GE 12-kw transmitter is on hand, and 500-ft. Blaw-Knox tower is ready.

KNMT (Ch. 12) Walker, Minn., with 2-kw RCA transmitter delivered, has completed 999-ft. tower 3 mi. E. of Hackensack, Minn. It will begin operation "sometime later this year," writes Glenn W. Flint, gen. mgr. of owner KCMT (Ch. 7) Alexandria, Minn. which plans to operate KNMT as semi-satellite. KCMT rep. is Avery-Knodel.

WSVI (Ch. 8) Christiansted, V.I., has Nov.-Dec. target, reports George A. Mayoral, vp & gen. mgr. Visual Electronics transmitter is on hand, and construction of studio-transmitter building is near completion. It will use 60-ft. Utility tower.

KUSU-TV (Ch. 12 ETV) Logan, Utah hopes to be on air by Jan. 1, writes Burrell F. Hansen, chairman of radio-TV for grantee Utah State U. It plans to ask for bids shortly on 5-kw transmitter, will use 220-ft. Fisher tower.

New York U. Conference on international communications in business, other fields, starts Aug. 13, runs 4 days. Interpublic Pres. Marion Harper is honorary chmn. Harry Maynard, Life assoc. advertising dir. is chmn. Organizers: Ward Stevenson, PR Society of America pres., San Francisco State College professors S. I. Hayakawa & Richard Dettering. Speakers invited: Dr. Howard Rusk, NYU Medical Center; Eric Johnston, Motion Picture Assn. of America pres.; Stuart Chase, author; Dave Garroway; Benny Goodman; Newton Minow, Encyclopaedia Britannica. "A Look at Our Mass Media" panel will feature Time Chmn. Andrew Heiskell; Curtis Pres. Joe Culligan; TV executive Richard Heffner.

CATV systems in Norton & Appalachia, Va., totaling about 1,000 subscribers, have been bought by PGR Enterprises, headed by Frank Russell, retired NBC Washington vp who also heads Ellensburg, Wash. system. Seller is Harold C. Bailey who continues to operate Pineville, Ky. system. Transaction was handled by Daniels & Assoc.

Peace Corps ETV training course for 16 Colombians and 18 Peace Corps members started at U. of Neb.'s KUON-TV Lincoln, will run to Aug. 31. It's a pilot project, will be duplicated elsewhere if successful, according to Peace Corps Dir. Sargent Shriver.

Jefferson Standard Bcstg. has donated $47,500 in TV equipment to S.C. Educational TV Center for planned Ch. 29 Greenville & Ch. 7 Charleston.

CBS-TV & NBC-TV were criticized by Rep. Hebert (D-La.) for "not carrying one word" in their news programs of last week's House debate on Pentagon's anti-discrimination directive. He said he hadn't watched ABC-TV. He questioned whether it was Pentagon "news management" or "censorship" by news media that was keeping public from knowing what was in Gesell report. Southerners have denounced report as use of military to promote political policy.

Opera on TV is "a thousand times more powerful" than in even an ideal theater, according to Samuel Chotzinoff, head of NBC Opera Company. "As for future of TV opera," he said in recent lecture, "it is problematical. As long as we have the Sarnoffs around, we will have TV opera and the experimentation that goes with it ... But the future looks dim unless the public demands more opera, and sponsors arise who will think 15 million listeners is a sizable audience."

"Censorship" through "prior restraint" is charged against FCC by TV Cable of Austin, in petition for reconsideration of recent CATV-microwave grant. FCC conditioned grant with its customary requirement that grantee agree not to duplicate local-station programs 30 days before or after telecast. Grantee also argued that Commission seeks to exercise jurisdiction in an area where Congress gave it none.

May network TV billings rose 8.3% over May 1962—from $66,101,761 to $71,567,346. First 5 months are up 6.2% over 1962 period—from $324,050,243 to $344,096,012. Each network's Jan.-May figures: ABC-TV, $91,991,624, up 8.7% from $84,659,058; CBS-TV, $131,097,520, up 5.4% from $124,362,088; NBC-TV, $121,006,868, up 5.2% from $115,029,097.

HEW has received 3 more ETV applications for federal grants: U. of Utah, $246,131 to expand Salt Lake City's Ch. 7 & to acquire 18 translators; Miami U., Ohio, $127,504 to expand Oxford Ch. 14; Delta College, Mich., $187,049 to activate Bay City Ch. 19. Applications now total 17 seeking $3,155,418 (Vol. 3:31 p5).

"Star Spangled Banner" would have to be played by TV-radio stations at sign-on & sign-off times in bill introduced by Rep. Wydler (R-N.Y.). He noted that most stations carry the Anthem, but some, he said, "play 'Hail to the Chief,' which is absurd, and 'My Country 'Tis of Thee,' which is the tune of 'God Save the Queen.'"

"Right to editorialize [should] be defended and maintained" by Congress, Rep. Dorn (D-S.C.) told House last week. He said that TV-radio have been discriminated against in access to news, that Congress should see to it that "sacred right" to editorialize not be abridged by "regulatory agency or bureaucrat."

CBS-TV launches 2 daily half-hour newscasts—a networking first—on Sept. 2: "Evening News With Walter Cronkite" (6:30-7 p.m., EDT, Mon.-Fri.) & "Morning News With Mike Wallace" (10-10:30 a.m., Mon.-Fri.). Latter will cover general & women's news.

NBC News launched wire service between N.Y. & Washington last week, for exchange of all national & international news & background stories. Possibility: It might be made available "outside NBC," said William R. McAndrew, NBC News exec. vp.

QXR (FM) Network switches to tape distribution from on-air relay to its 16 northeastern affiliates. Reasons: Technical problems & growing use of stereo. Affiliates in other parts of country were already on tape.

Personals

CBS News changes: **Charles Kuralt**, from Latin & South America, to chief West Coast correspondent, Los Angeles; **Robert Schakne** named West Coast bureau mgr.; **Bernard Eismann**, chief Midwest correspondent, to N. Y. bureau; **Hughes Rudd**, chief Southern bureau correspondent, succeeds Eismann; **Russ Bensley** named Midwest bureau mgr.; Southern & Southwest bureaus consolidated in New Orleans bureau with **Dan Rather** as chief correspondent, **Nelson Benton** as bureau mgr.

Donald H. McGannon, Group W pres., also elected chmn., succeeding **E. V. Huggins**, Westinghouse Electric exec. vp, resigned; **Donald C. Burnham**, new Westinghouse Electric pres., elected to Group W board.

Ellis O. Moore, recently resigned as NBC press & publicity vp, joins Standard Oil of N.J. public relations dept.... **Jack D. Pohle**, ex-CBS Radio Spot Sales, Los Angeles, appointed radio mgr., Peters, Griffin, Woodward, Los Angeles.

Metropolitan Bcstg. TV changes: **Albert P. Krivin**, vp & gen. mgr., KMBC-TV Kansas City to KTTV Los Angeles in same capacity; **Mark Wodlinger**, vp & gen. mgr., WZZM-TV Grand Rapids, succeeds Krivin; **Reavis Winckler**, KTTV publicity dir., named promotion & public relations dir.

Harold C. Sundberg, gen. sales mgr., WZZM-TV Grand Rapids, promoted to vp & gen. mgr.

Rep. Oren Harris (D-Ark.) receives National Defense Transportation Assn.'s National Transportation Award.

Dennis Scuse, BBC U.S. representative, transfers to London as TV enterprises gen. mgr... **Don Redell**, ex-Producers Studio, Los Angeles, joins Tele-Tape Productions, N. Y., in sales & production.

Mort Fleischmann promoted to promotion mgr., NBC, West Coast, succeeding late **Donald E. Allen**... **James E. Watson**, NBC Radio sales analyst, promoted to sales development mgr.

Malcolm R. Johnson, NBC News night mgr., promoted to mgr... **Jack E. Krueger** promoted to news mgr., WTMJ-TV-AM Milwaukee.

Dan E. Bellus, Transcontinent TV adv. & promotion dir., named station mgr., group's WDOK-AM-FM Cleveland.

Jack Crosby, Del Rio, Tex., named chmn., NCTA Research Council, which also adds **William Adler**, Weston, W. Va., and **George Barco**, Meadville, Pa.

Richard A. Feleppa, ex-Remington Electric Shavers, re-joins WOR-TV-AM N. Y. as sales promotion mgr.; **David Krutchik**, copy chief, promoted to audience promotion mgr.

Donald (Gene) Jones, ex-radio KMOX St. Louis, named mgr., Avery-Knodel, St. Louis office... **Brad Marks**, ex-Buena Vista Distributing, named midwestern sales mgr., Walter Reade-Sterling TV Div.

Robert R. Tincher, vp, Cowles Bcstg., N. Y., transfers to WREC-TV-AM Memphis as public affairs dir.

James E. Szabo, ex-WABC-TV N. Y. gen. mgr., appointed special sales mgr., WOR-TV N. Y.; **Leslie L. Dunier**, ex-radio-TV vp, Mogul, Williams & Saylor, joins sales staff.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington, D.C. 20006
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

TELEVISION DIGEST. Published Mondays. Services: $75-$150 annually. For group rates & other subscription services, write Headquarters.
TELEVISION FACTBOOK Published Annually
TV & AM-FM ADDENDA Published Saturdays
AM-FM DIRECTORY Published Annually

Jerry Solomon, ABC-TV sales planning coordinator, promoted to sales planning mgr.; **Mark Cohen**, nighttime sales service mgr., to sales offerings mgr.; **Jack McCarthy**, ABC-TV daytime sales service mgr., succeeds Cohen; **Richard Masilotti**, asst. daytime sales service mgr., succeeds McCarthy; **Wendell Barnes**, daytime availabilities coordinator, succeeds Masilotti.

Participation of FCC Comr. Cox in vhf drop-in proceedings is still expected, according to knowledgeable people at Commission, following AMST's petition that he withdraw because of his pro-drop-in stand as chief of Broadcast Bureau (Vol. 3:29 p5).

"Largest complete local TV news organization in the U.S." is aim of WCBS-TV N. Y., which hired Joseph T. Loughlin from WTVT Tampa-St. Petersburg to be dir. of news. He'll be responsible for 12 out of 18 1/2 hours of station news per week.

Second Arabian network was to start Aug. 1, but shortage of foreign exchange "will place serious limitations on the number of sets needed to expand TV reception," according to Commerce Dept.'s "International Commerce."

Silent portable radios on city buses have been requested by Columbus, O. utilities dir. "The world we live in is noisy enough," he said, noting that if "request" doesn't work, a rule will be made.

New FM "working arrangement" with Canada, for allocation of channels within 250 miles of border, has been released by FCC. Copies are available from Commission.

Purchase of KTVU (Ch. 2) San Francisco-Oakland by Cox Stations, for $12,360,000, has been filed with FCC.

TvB's new Los Angeles address: 444 N. Larchmont Blvd., 90004; phone: 469-8231.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

1963 TV IMPORTS—ABOUT 400,000: Based on first-half figures, it now seems evident that Japanese TV manufacturers will export total of 400,000 sets—perhaps more—to U.S. this year. At least 50% will be transistorized battery-powered units.

First 6 months of 1963 saw U.S.-bound TVs leaving Japan at pace of more than 4 times higher than during same 1962 period. Exports from Japan to U.S. during first half totaled 147,362 sets, or about 4.3% of U.S. production during same period, up from 33,671 (1% of U.S. TV output) in first half 1962. In June, figure was 25,982, about 8 times higher than the 3,288 of June 1962.

Transistorized sets exceeded number of tube sets exported in June for 2nd month in row—13,798 transistor, 12,184 tube, compared with 501 transistor, 2,788 tube in June 1962. All sets exported in June were in "21-in. & smaller" category. Here's breakdown of first half 1963 exports (comparable first-half '62 figures in parentheses): Over 21-in., 5,267 (2); tube TV, smaller than 21-in., 79,405 (26,001); transistorized, 62,690 (7,668).

Transistor radio exports to U.S. for first half 1963 were up about 10% in 3-or-more-transistor category—3,448,463 vs. 3,125,290. Tube and "toy" radio shipments were down—tube radios to 508,831 from 761,977 in 1962, toy radios to 1,073,636 from 1,484,681. June exports: 3 or more transistors, 663,831 (vs. 661,336 in June 1962); tube, 100,202 (142,903); toy & others, 143,742 (161,462).

Tentative minimum factory TV prices for export to U.S. have been established by EIA of Japan, meanwhile, subject to govt. ratification (Vol. 3:31 p10). Applicable only to completed sets, proposed "free on rail" minimums are: 16-in. sets, vhf $45, all-channel, $55; 19-in., vhf $55, all-channel $63; 5- & 6-in. transistor sets, vhf $70, all-channel $80.

TELCAN FOCUSES INTEREST ON HOME TV TAPE: Although Britain's Telcan home TV tape recorder is still wrapped in mystery & controversy, mere reports of its existence have stirred up almost feverish interest in future field of home video tape machines.

Several firms here & abroad have been working for some time on the concept. RCA concedes its "hear-see" recorder is not imminent. Chmn. David Sarnoff was asked specifically about reports of the British development in course of interview last week by "Wall Street Journal" (see also p. 8). He replied that home video recorders probably would come along within 10 years, adding that the problem is to produce one within consumer's price range.

In Tokyo, meanwhile, Shiba Electric Co. announced prototype of possible home TV recorder. Unlike Telcan unit which uses standard 1/4-in. audio tape at 120 in. per second, Shiba's machine requires 2-in. wide video tape, is claimed to record 64 minutes on 8-in. reel, at 5-in. per second. Shiba announced no timetable for development, or any proposed price range, merely stating that it is "trying" to develop such a unit.

Sony, which is now marketing portable TV tape recorder in U.S. at $10,900, says it still has long way to go in its efforts to develop unit priced for home use. Meanwhile, IIT Research Institute (formerly Armour Institute) of Ill. Institute of Technology is working on new electron-beam tape scanning system which it feels could eventually make possible economical system for home, using standard audio tape run at 7 1/2 in. per second. It was described earlier this year at IEEE convention by magnetic recording expert Marvin Camras (Vol. 3:13 p6). Development of this system into even high-priced working equipment is expected to take several years.

Meanwhile, Telcan system with its spectacularly low announced price (Vol. 3:31 p7) continues to arouse interest & speculation on this side of Atlantic. One TV industry figure (not an engineer), who just returned from England where he saw demonstration, termed our summary of reports on the machine last week "too downbeat." Requesting that his name not be used, he said pictures it produced

were "better than kinescope quality" and quite acceptable for home. Using thinner tape, he said, developers are confident they can increase capacity of machine to one full hour of recording on single reel.

Most other reports this week, however, tended to confirm reactions we quoted last week. One British engineer told us claims for Telcan were "not being taken seriously in broadcasting circles" in England.

A noted electronics research scientist told us he was collecting reports from those who witnessed demonstrations, and said "comments range from one end of the scale to the other—from very good to unacceptable." He added that on basis of description of device received from field, "you shouldn't be able to get much of a picture with it." He speculated that unit is basically a speeded-up audio tape recorder with some special type of recording & playback head.

Others pointed out that Telcan Co. is offshoot of Nottingham Electronic Valve Co., which once created stir by announcing that it had developed home TV camera to sell at about $200.

Lacking more information, we have located no one who is willing to make flat statement about value of the British development. It has captured imagination here to extent that several important firms are thinking of sending representatives to Britain to appraise it and possibly discuss license arrangements, and that one American magazine is planning special article on it. Stripped of emotional content & wishful thinking, best summary of situation at moment, from engineering standpoint, is this: There's too little known about the device to make practical judgment as to its quality, reliability, producibility & potential.

Until curtain of secrecy is lifted, non-engineering people tend to be extremely excited about development, but opinion among engineers remains decidedly dubious.

TOPIC A—RCA: Nearly everybody seemed to be writing about RCA & color last week. Within span of 7 days, color TV received featured treatment in Aug. 6 "Saturday Evening Post," RCA was subject of 5-page cover story in Aug. 1 "Forbes" (with Gen. Sarnoff & NBC peacock on cover), and full-column interview with Gen. Sarnoff appeared in "Wall Street Journal."

"Forbes" profile could be called a mixed review. "The apparent renaissance of [RCA] may well be the top corporate story of 1963," it begins. It concludes: "A happy ending is possible but far from guaranteed." "Forbes" points to RCA's sales & profit advances of past few years, but also notes it's far below some other electronics entities in profit as percentage of sales dollar. Emphasizing color, it asks editorially whether RCA can maintain its lead in this field.

"Wall Street Journal" interview appeared to be answer to "Forbes" study. Among statements attributed to Sarnoff in interview: RCA is first in industry in combined dollar sales of home instruments. RCA will sell "well in excess" of million color & b&w sets this year and will expand its TV production facilities. Dollar volume of color sets will exceed b&w possibly within next 3 years. Color TV will be America's major new growth industry in this decade. RCA profits in first 7 months of year are 25% ahead of 1962. Replying directly to implication in "Forbes" article that RCA misjudged color market by 10 years, "Wall Street Journal" carries typically Sarnoffian rejoinder: "My answer is that if RCA had waited 10 years, color itself would be 10 years removed from its present healthy & growing status. No mathematical timetable has ever been devised for pioneering."

"Saturday Evening Post" business editor Sandford Brown gave color formal recognition as "the proverbial better mousetrap" in 2-p. article, "Color Catches Fire." He predicted that virtually all TV would eventually be in color, gave RCA credit for "risking huge sums to blaze a trail."

TOP TV BRANDS-IN-USE IN 11 MARKETS: From personal-interview surveys conducted by or for newspaper advertising departments, we've compiled results of TV brands-in-use polls for 11 more areas. Last April, we printed results in 15 markets surveyed by Consolidated Consumer Analysis newspapers (Vol. 3:17 p8).

Surveys highlighted below show set ownership. In case of multi-set homes, they generally reflect brand bought last. Because they represent purchases over many years, they don't reflect recent changes in brand preference or popularity.

Regional nature of TV brand selection is well demonstrated by variations in rankings. Only RCA, winning first place in 10 of the 11 markets, is consistently in top ranks of these areas.

Other brands which ranked among top 3 in various areas: Philco, first place in one market, 2nd in three, 3rd in two. Zenith, 2nd in four, 3rd in one. Motorola, 2nd in two, 3rd in three. Admiral, 2nd in one, 3rd in three. GE, 2nd in one, 3rd in one. Silvertone, 2nd in one, 3rd in one.

Summaries below give top 10 brands in each market, with number of interviews, date of interviews and TV penetration:

Miami metropolitan area (1,804 interviews, May 1961-April 1962), TV in 94.8% of homes: (1) RCA Victor 16.4%. (2) Zenith 15%. (3) Philco 11%. (4) Admiral 10.4% (5) Motorola 9.6%. (6) Emerson 6.7%. (7) Silvertone 6.5% (8) GE 6.4% (9) Du Mont 4.3%. (10) Westinghouse 3.1%.

Detroit metropolitan market (7,233 interviews, 1961), TV in 91% of homes: (1) RCA Victor 15.4%. (2) Motorola 12.2%. (3) Admiral 11.8% (4) GE 8.3%. (5) Muntz 6.3%. (6) Zenith 6.1%. (7) Philco 4.9%. (8) Silvertone 2.8%. (9) Sylvania 2.7%. (10) Emerson 2.5%.

State of Minnesota (1,230 interviews, April-May 1962), TV in 95.3% of homes: (1) RCA Victor 21.4%. (2) Zenith 12.1%. (3) GE 11.4%. (4) Motorola 10.8%. (5) Philco 8.8%. (6) Admiral 7.7% (7) Silvertone 4.6%. (8) Coronado 3.5%. (9) Magnavox 3%. (10) Sylvania & Emerson, 2.8% each.

Charlotte, N. C., entire county (1,801 interviews, May 1961-April 1962), TV in 93.7% of homes: (1) RCA Victor 20.4%. (2) Silvertone 10.3% (3) Motorola 9.6% (4) Zenith 8.9% (5) Admiral 7.6% (6) GE 7.5%. (7) Philco 7.1%. (8) Westinghouse 5.1%. (9) Emerson 3.1%. (10) Crosley 2.5%.

Akron city trading zone (1,803 interviews, July 1961-June 1962), TV in 97.9% of homes: (1) RCA Victor 20.2%. (2) Admiral 13.8%. (3) Philco 11.9%. (4) GE 8.7%. (5) Motorola 7.8%. (6) Muntz 6.3%. (7) Zenith 4.6%. (8) Sylvania 4.3%. (9) Emerson 4.1%. (10) Ambassador 3.8%.

Cincinnati retail trading zone (1,796 interviews, June 1961-May 1962), TV in 96.7% of homes, color TV in 2.1% of homes: (1) RCA Victor 16.7%. (2) Zenith 15.7%. (3) Philco 13.1%. (4) Admiral 12.1%. (5) GE 9.5%. (6) Motorola 8.2%. (7) Crosley 5.7%. (8) Westinghouse 3.1%. (9) Muntz 2.9% (10) Sylvania 2.5%.

Youngstown city trading zone (1,065 interviews, June 1961-May 1962), TV in 97.3% of homes: (1) RCA Victor 22.5%. (2) Philco 22.3%. (3) Motorola 9.4%. (4) GE 8.2% (5) Admiral 7.6%. (6) Zenith 6.9%. (7) Emerson & Sylvania 3.1% each. (9) Crosley 2.8%. (10) Silvertone & Magnavox 2.6% each.

Portland, Ore. metropolitan area (more than 1,800 interviews, Jan.-Dec. 1962), TV in 94.4% of homes: (1) RCA Victor 15.4%. (2) Zenith 14.1%. (3) Admiral 9.4%. (4) Motorola 8.3%. (5) Philco 6.4%. (6) GE 6.4% (7) Silvertone 6.1%. (8) Hoffman 4.9%. (9) Packard Bell 4.6%. (10) Westinghouse 3.4%.

Philadelphia-Delaware Valley (more than 2,000 interviews, Jan. 1963), TV in 96.9% of homes: (1) RCA Victor 31.4% (2) Philco 19.6% (3) Zenith 9.9% (4) Admiral 9.7%. (5) GE 9.6% (6) Motorola 8.5%. (7) Silvertone 5.8%. (8) Westinghouse 4.6%. (9) Magnavox 3.1%. (10) Sylvania 1.8%.

Beaumont, Tex. (1,000 interviews, 1962), TV in 97% of homes: (1) Philco 16.8%. (2) Motorola 15%. (3) Zenith 11.6%. (4) RCA Victor 9.7%. (5) GE 8.6%. (6) Silvertone 8.2%. (7) Admiral 5%. (8) Westinghouse 3.6%. (9) Hoffman 3.1%. (10) Truetone 2.5%.

Houston, Tex. retail trading zone (2,022 interviews, July 1961-June 1962), TV in 91.6% of homes: (1) RCA Victor 16%. (2) Philco 13.2% (3) Silvertone 11.7%. (4) Zenith 10.6%. (5) GE 9.6%. (6) Motorola 9.5%. (7) Admiral 7.3%. (8) Truetone 3.3% (9) Westinghouse 3.2%. (10) Hoffman 2.9%.

Huntington, W. Va.-Ashland, Ky. metropolitan area (1,642 questionnaires returned, June-July 1962), TV in 93.1% of homes: (1) RCA Victor 19.9%. (2) GE 17.7%. (3) Motorola 16.5%. (4) Philco 14.2%. (5) Admiral 7.8% (6) Silvertone 7%. (7) Zenith 6.1%. (8) Magnavox 2.4%. (9) Emerson 2.3%. (10) Westinghouse 2.1%.

Further information & complete surveys may be obtained from sponsoring newspapers or their reps: Miami Herald, Detroit News, Minneapolis Star & Tribune, Charlotte Observer & News, Akron Beacon Journal, Cincinnati Enquirer, Youngstown Vindicator, Portland Oregonian, Philadelphia Inquirer, Beaumont Enterprise & Journal, Houston Post, Huntington Publishing Co.

Trade Personals

D. Brainerd Holmes, ex-RCA official whose resignation as director of U.S. manned space flight program becomes effective Sept. 15, joins Raytheon Oct. 1 as a senior vp; Raytheon finance Vp **George Ingram Jr.** promoted to senior vp & elected to board.

Frank D. Langstroth, recently promoted to Sylvania govt.-industry relations vp, resigns to become Hoffman Electronics marketing vp... **Brian Marohnic** promoted to Zenith national service mgr.

M.E. **Karns** elected to new post of RCA licensing vp; **Stephen S. Barone** promoted to succeed Karns as RCA International Div. license operations vp... **Frank R. Buchanan** named financial planning & controls mgr. in newly created RCA Commercial Receiving Tube & Semiconductor Div. Other new appointments in division: **Harold A. DeMooy**, receiving tube operations dept. mgr.; **Norval H. Green**, commercial semiconductor operations dept. mgr.; **George J. Janoff**, marketing dept. mgr.; **Kenneth M. McLaughlin**, memory products dept. mgr.

Frank J. Ehringer, ex-automotive products vp-gen. mgr., elected pres. of Tung-Sol, succeeding **Milton R. Schulte**, who retired along with Chairman **Louis Rieben**; electron tube div. vp-gen. mgr. **Paul Scharninghausen** elected to board.

David L. Milling, ex-DuPont & Westinghouse, named adv. sales mgr., Magazine Div., Howard W. Sams & Co.; he's son of **J.A. (Shine) Milling**, pres. of Sams Div.

Frank J. O'Brien resigns as Motorola purchasing vp... **Joseph S. Campbell**, ex-Hoffman & Packard Bell, named mgr. of Admiral govt. electronics div.'s new Washington office in Cafritz Bldg.

John J. Douglas, pres. of Lenkurt Electric, Nov. 1 becomes GT&E finance exec. vp, succeeding **Thomas A. Boyd**, retiring... **Louis C. Lerner**, exec. committee chairman, also elected chairman of National Co., succeeding **Herbert C. Guterman**, who resigned as chairman but continues as dir.

C. Gayle Warnock, ex-Raytheon PR dir., rejoins Ford as resident mgr. of its N.Y. World's Fair exhibit ... **Norman Sanders**, ex-University Loudspeakers, named hi-fi products sales mgr., Bogen div. of Lear Siegler.

John F. O'Donnell promoted to International Resistance major industrial mktg. mgr., succeeding **Kenneth C. Dreusicke**, named Burlington Div. mktg. mgr... **Henry J. Schulthesz** appointed business mgr., IIT Research Institute.

New Cal. laws regulating TV-radio repairmen require: (1) Written estimate of repair costs must be given customer who requests it, before work is started. (2) Customer must receive itemized invoice of all parts & labor, and replaced parts must be returned. (3) Service dealers must be registered, beginning Jan. 1, 1964. New Bureau of Electronic Repair Dealer Registration is empowered to go to court to stop deliberate overcharging, misrepresentation of used parts as new, misleading advertising, etc.

Endorsement of legislation to repeal excise tax on all-channel sets was voted by board of directors of National Assn. of Music Merchants.

Distributor Notes: Olympic Radio & TV appoints 4 new distributors: **Reliable Brands**, 35 Cline St., Dayton, O. for Ohio; **TCR Distributors**, 1205 East River Drive, Davenport, Ia., for Iowa; **Dutch Valley Distributors**, 1399 Dutch Valley Place, N.E., Atlanta, for Georgia; **East Coast Appliance**, 911 Lady St., Columbia, S.C., for South Carolina... **Admiral** names **George A. Lubenow** regional sales mgr. covering distributors in Phoenix, Reno, Salt Lake City & Fresno... **Admiral** appoints newly formed **John L. McDonald Distributing** (former Admiral regional sales mgr. **John L. McDonald** is gen. mgr., **Elton M. Tuttle** credit mgr., **Charles V. Safarik Jr.** service & parts mgr.), 1523 Marcy St., Omaha, distributor for 71 Nebraska counties & 7 west central Iowa counties, replacing K. K. Co., Omaha... **Olympic Radio & TV** names **Theodore Bloom** pres. of sales subsidiary Olympic of Southern New England Inc., New Haven, Conn., a new post.

Philco joined move to lower-priced 19-in. portables at week's end with introduction of new leader in its Starlite line. Although no list price was established, it's understood to be competitive with Admiral, Emerson, GE & Sylvania low-end 19 listing at $129.95. Previous low-end Starlite was $149.95. Among other new sets in Philco "Fall Festival" series are redesigned 19-in. Townhouse line and new 23-in. table model (no list prices, but believed to be unchanged). Also introduced were special stereo ensembles, built around table model with matching base and auxiliary room speakers.

Emerson's 16-in. set at $99.95 now represents between 15 & 20% of company's unit TV shipments, Pres. Benjamin Abrams told us last week. He said Emerson's entire line has benefited from this price leader, and he forecasts that company's good business would continue through the year. Emerson, he added, is now making "proportionately more all-channel receivers than any other manufacturer"—currently 18-20% of its total production. He estimated percentage would go up to 25-30% this fall.

Pilot Radio will make color TV sets this fall, Vp-Gen. Mgr. Roland J. Kalb has announced, confirming report in these pages last month (Vol. 3:26 p 11). A pioneer in TV (Pilot claims to have built first commercial TV set in 1928), Pilot, now a subsidiary of Jerrold Electronics, will make its own chassis for use in TV-radio-phono combinations.

New lower-price Sony transistor TV has gone on sale in Japan, but officials of Sony Corp. of America say it's designed for home market only, and there are no plans to sell it in U.S. Like Sony's Micro TV set sold here, new set is also 5 1/2-in., but is sold in straight AC version without converter for battery. Battery & converter can be purchased separately. Sony set sold in U.S. has built-in converter, and battery pack is sold as accessory.

Crackdown on stores selling hi-fi components without UL seal probably will force court test of Portland, Ore. ordinance banning sale of non-UL approved equipment. Seven Portland retailers have been ordered to remove non-approved devices; all pledged battle in courts, arguing that equipment they sell has met all tests of City of Los Angeles Electrical Testing Lab.

Packard Bell reports sales of home products reached all-time high in first half 1963, increasing 32.8% over same 1962 period, with color TV registering greatest gains.

PHILIPS PROBES TUBE MARKET: Dutch-made picture tubes, from Philips, are still being sold to set makers in U.S., but Amperex (the North American Philips subsidiary) still says it probably won't be able to determine whether to stay in U.S. picture tube business long before year is over.

Amperex declines to state which set manufacturer is purchasing its picture tubes, but it's common knowledge in industry that Motorola is buying some or all of them. Philips tube being sold here is 23-in. 110-degree "heavy" tube (23CMP4). Amperex's Edgar Meagher denies that Philips tubes are being sold here at lower prices than domestically made tubes. "We can't tell whether we'll stay in this field until we've had a little more experience in it," he adds.

In another parts import development, General Instrument became 3rd U.S. tuner maker to sign agreement with Japanese firm. GI and Kataoka Electric Co. have reached deal under which Kataoka will make uhf tuners using GI designs. Other tuner makers have agreements for TV tuners—not necessarily uhf—with Japanese firms. For example, it's understood that vhf tuners in both GE & Admiral 11-in. sets are being built by Noble-Oak in Japan.

Delmonico International consolidated its operations in 140,000-sq.-ft. plant in Maspeth, L.I., following acquisition of Shaw Mfg. Co., Brooklyn cabinet manufacturer. Exec. Vp Herbert Kabat hailed acquisition as making possible greater console production keyed to American designs. Delmonico also started new distribution program with opening of Boston branch, with Detroit branch due for opening soon. Kabat said company will have 10 branches, each with showroom, service facilities & warehouse, by year's end. He said Delmonico sales last year approximated $14 million, and will rise to $18 million this year, reaching $25 million by 1965.

Heavier penetration into consumer field is goal of Ampex, which has formed new consumer products div. It has introduced first 4 models of new line of stereo tape recorders. New div. is headed by John N. Latter, who is also Ampex controller. New recorders introduced were priced from $549.50 to $695, but lower-priced models will be introduced soon, including self-contained portable stereo system at less than $500.

Sansei Electronics Industry Co. will establish assembly plant in San Fernando, Cal. to assemble phono consoles from Japanese parts for sale to U.S. manufacturers and under its own "Hi-Mood" brand name. U.S. operations will be handled by new subsidiary, Sansei Electronics Corp. of America, headed by Vp Shigetada Chikazawa.

Zenith introduced lower-priced radios, including gift-packed shirtpocket set at $16.95—$3 below former price leader, and first Zenith set to use Japanese parts. Other new Zenith radios: Pocket set with RF amplification, $39.95; FM & FM-AM radios at $39.95 & $49.95; 3 clock radios, one open list, the others $39.95 & $49.95.

Jerrold enters uhf converter market with 2 home models to be sold through its Distributor Sales Div. — the "Vista" for strong signal areas, and transistorized "Super-Vista" for weak signal areas.

High-resolution closed-circuit TV camera, with nominal horizontal resolution of 775 lines, has been introduced by Du Mont Labs Divs. of Fairchild for industrial use, at $2,495.

Tung-Sol has omitted customary 17 1/2¢ quarterly dividend, and Pres. Milton R. Schulte said "results of operations for the quarter ended June 30 have been disappointing." Principal factor was poor semiconductor business, he noted, adding: "In this particular industry overcapacity has continued, and imports have risen at an alarming rate, with resultant declining prices & substantial losses being incurred." Tung-Sol closed its East Orange, N.J. transistor plant July 3, culminating phase-out program started late in 1962 to remove "a drain" on earnings. Tung-Sol & Purolator have terminated merger discussions.

Corporate profits in 1963's 2nd quarter rose to record heights & 3rd-quarter earnings "seem likely to be at a rate close to this record," reported Aug. 1 "Wall St. Journal." Earnings of 496 corporations rose 15.9% to $3,304,968,000 from $2,850,621,000 in 1962's June quarter. Twenty-three electronics & electrical equipment firms boosted earnings 7.9% to $126,219,000 from $116,954,000. Nine were broad-line companies, and they improved 8.3% to $114,503,000 from $105,702,000. Fourteen were specialty companies. Their profits were up 4.1%—to $11,716,000 from $11,252,000.

Space-Tone Electronics, in bankruptcy proceedings (Vol. 3:28 p12), reported total assets of $146,266 vs. $1,594,784 liabilities. Bankruptcy schedules for 3 subsidiaries showed $122,379 assets & $2,178,851 liabilities for American Music Guild, subscription club for stereo records & phonographs; $48,753 & $55,552 for Product & Industrial Engineering, maker of components & cabinets; $1,825,180 & $1,244,407 for International Acceptance, Space-Tone's sales financing operation. Creditors' meeting is tentatively scheduled for Aug. 7, 10 a.m., in Washington, D.C. Federal Court.

Seven Arts Productions management was criticized by minority shareholders at annual meeting for alleged failure to make "full disclosure" about $5 million purchase of 20% interest in land development company on Grand Bahama Island. They contended Seven Arts would have been better off concentrating exclusively on entertainment field. Company earned $1.7 million in its 1963 fiscal year ended Jan. 31 (Vol. 3:24 p12). Seven Arts denied withholding investment data, said purchase in Grand Bahama Development Co. "was not made in an unwise, imprudent or precipitous manner."

International Resistance foresees "excellent" 2nd half on basis of rise in orders that commenced in 2nd quarter. Pres. Walter W. Slocum said total 1963 sales should top 1962's record $29.4 million. Earnings are expected to trail 1962's record $2.5 million but top prior record of $2.1 million set in 1961.

Muntz TV will redeem at $1 par value all outstanding preferred shares issued to creditors under the 1956 reorganization plan. Preferred stock certificates must be surrendered for redemption by Aug. 29. Shares outstanding after that date will be cancelled on company's books.

Nippon Electric earned $3,575,000 or 37¢ a share on $95,533,000 sales in the 6 months to March 31. Per-share earnings are expressed in American Depositary receipts. Year-ago comparisons are not available.

Curtis Mathes stockholders were scheduled to vote at last week's end in Dallas on proposal to double the 1,087,120 common shares authorized to enable company's directors to declare 100% stock dividend in near future.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Admiral	1963—6 mo. to June 30	$100,418,045	$3,006,922	$1,463,295	$0.60	2,423,561
	1962—6 mo. to June 30	94,740,193	2,590,784	858,058	.35	2,417,461
	1963—qtr. to June 30	50,510,359	1,446,109	678,750	.28	2,423,561
	1962—qtr. to June 30	46,430,284	1,233,337	348,101	.14	2,417,461
Andrea Radio	1963—6 mo. to June 30	2,156,576	—	(2,904)	—	254,136
	1962—6 mo. to June 30	2,733,058	—	149,711	.59	254,136
	1963—qtr. to June 30	1,212,082	—	3,304	.01	254,136
	1962—qtr. to June 30	1,277,746	—	62,526	.25	254,136
American Electronics	1963—6 mo. to June 30	5,741,713	—	189,192[1]	.16[1]	1,177,842
	1962—6 mo. to June 30	4,603,307	—	(354,451)	—	1,177,842
	1963—qtr. to June 30	3,003,253	—	64,926[1]	.06[1]	1,177,842
	1962—qtr. to June 30	1,950,510	—	3,771	—	1,177,842
Audio Devices	1963—6 mo. to June 30	4,004,450[2]	469,605	242,605	.28	868,371
	1962—6 mo. to June 30	4,070,103	446,196	223,196	.26	844,526
Lear Siegler	1963—year to June 30	193,072,259	7,555,898	4,750,574	1.20[3]	3,894,293
	1962—year to June 30	190,782,798	12,384,015	6,005,006	1.51[3][4]	3,918,023
Macfadden-Bartell	1963—6 mo. to June 30	12,083,250	—	627,007	.39	—
	1962—6 mo. to June 30	11,229,928	—	(393,629)	—	—
National Union	1963—6 mo. to June 30	18,560,975	1,095,411	526,411	.09	5,547,000
	1962—6 mo. to June 30	18,478,849	1,143,301	545,801	.09	5,747,479
Sonotone	1963—6 mo. to June 30	11,064,434	—	105,412	.08[3]	1,224,491
	1962—6 mo. to June 30	10,527,606	—	150,895	.12[3]	1,220,430
TelePrompTer	1963—6 mo. to June 30	2,715,040	69,224	69,224[5]	.09	—
	1962—6 mo. to June 30	2,268,540	—	—[6]	—	—
	1963—qtr. to June 30[6]	1,472,045	—	149,911	.20	—
Tung-Sol	1963—26 wks. to June 29	28,921,715	285,609	137,609[7]	.03[3]	926,826
	1962—26 wks. to June 30	35,567,514	1,534,635	713,635	.65[3]	926,826

Notes: [1]After reserve of $50,000 (4¢ a share) against losses on an investment. [2]Second quarter sales $2.1 million, 10% above last year. [3]After pfd. dividend. [4]Adjusted to reflect 3% stock dividend in fiscal '63. [5]Includes special credit from sale of property. [6]1962 results unavailable. [7]Before non-recurring costs of approximately $70,000.

Common Stock Dividends

Corporation	Period	Amt.	Payable	Stk. of Record
I-T-E Circuit Breaker.....	---------no action Aug. 6---------			
Lear Siegler.....	Q	$0.10	Sept. 3	Aug. 16
Lear Siegler.....	—	3%	Sept. 17	Aug. 16
Litton Industries.	Ann.	2½%	Nov. 1	Oct. 18
Storer Bcstg....	Q	.45	Sept. 9	Aug. 23
Storer Bcstg. 'B'.	Q	.12½	Sept. 9	Aug. 23
Thompson Ramo Wooldridge...	Q	.35	Sept. 15	Aug. 23
United Artists...	Semi.	2½%	Oct. 29	Sept. 13

Granco Products, operating under Chapter 11 bankruptcy petition (Vol. 3:18 p 12), has filed 10% plan under which unsecured creditors would receive lump payment of 10% of their claims one year from date of confirmation. Plan reportedly has approval of creditors' committee. Next hearing: Aug. 15 at 2 p.m., before Referee Sherman D. Warner in Jamaica, N. Y.

Admiral sales for 2nd quarter were highest since 1953, and sales & earnings were above 1962 for both quarter and first half (see financial table). Pres. Vincent Barreca said civilian business registered 15% gain in quarter, while govt. sales decreased. He said distributor sales of Admiral color TV in first half were more than double last year's figure, accompanied by gains in b&w. He added that optimism for 2nd half by distributors & dealers is far greater than at any time in recent years.

Owens Illinois Glass Co. reported 4% sales gain and 1.5% decline in profits during first half, compared with last year. In commenting on company's operations, Chmn. J. P. Levis said: "TV bulb sales rose substantially as our new Kimcode system continued to increase in popularity with TV set makers."

Trans-Lux Corp. reports net income of $343,092 (48¢ a share) for 6 months ended June 30, compared with $358,795 (50¢) for same 1962 period.

NAB LIBRARY

WEEKLY

Television Digest

with

Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

AUGUST 19, 1963 NEW SERIES VOL. 3, No. 33

SUMMARY-INDEX OF WEEK'S NEWS

Consumer Electronics

CONGRESS LOOSENING ETV PURSESTRINGS, may compromise on $6 million for station construction, of the $32 million authorized for 5 years (p. 1).

NEW ATTEMPT AT PAY-TV ON WEST COAST: Subscription TV Inc. being formed by Lear-Siegler, Reuben H. Donnelley Corp., veteran promoter Matty Fox, others, plans to televise Giants & Dodgers games in 1964 (p. 2).

NIELSEN SAYS 'YES'; HARRIS STAFF ACTIVITY: Major TV rater endorses NAB reform plan, sends application for accreditation; Harris Subcommittee plans to publish edited 4-volume hearings transcript in addition to report (p. 2).

CATV—INDUSTRY IN TRANSITION—ready for some federal regulation as telecasters & theatermen continue to move in. But some seek congressional help to keep FCC from getting 'too tough' (p. 3).

DAVID BLANK—CBS'S FREE WHEELING economist—featured in "Business Week", sees TV revenues rising 9% annually in next decade (p. 4).

Broadcast

TV SALES UP & CLIMBING AT MIDYEAR: Distributor volume hits record 541,810 b&w TVs in June, pushes year-to-date totals to 2,956,808 vs. 2,724,038 a year earlier, EIA figures show; radio sales lag (p. 5).

SET MAKERS POST SOLID FIRST-HALF GAINS: Our analysis of 15 TV-radio manufacturers shows 12 increased sales, 10 boosted earnings, and combined volume & profits were well ahead of 1962's first-half pace (p. 6).

QUALITY STABILIZATION—ANOTHER GO-ROUND: Senate Commerce Subcommittee opens 3-day hearings today on S-774 legislation amid growing industry belief that some form of QS law will pass House this year (p. 7).

RCA DROPS COLOR PRICE: Makes first reduction in base price in 7 years, with 21-in. black metal table model at $449.95 (p. 9).

CBS'S RECORD PACE: Sales & earnings climb to record levels both in first half & June quarter. First-half profits jump nearly $5 million to $19.4 million on $20 million sales gain to $273.3 million (p. 9).

CONGRESS LOOSENING ETV PURSESTRINGS: Genuine shot in arm for ETV is finally expected from Congress, which last year voted measly $1.5 million for station construction. Senate has just voted $7 million, House $5 million, for year beginning July 1, 1963—of the $32 million to be spent over 5-year period. Senate-House conferees frequently compromise, so $6 million may well be final figure.

With few choice commercial vhf channels in prospect, much attention is drawn to ETV station potential. To suppliers of station equipment & services, this is nothing to sneeze at. NETRC estimates that the 79 existing ETV stations represent a $50 million investment, $20 million annual operating costs—covering 34 states with 104 million people in their service areas.

Dr. John Bystrom, HEW's ETV chief, tells us that surveys indicate some 80 station starts are likely by Jan. 1, 1965, that states plan 125-150 more within 2 years thereafter.

Costs of station vary enormously, of course, but Dr. Bystrom estimates average cost of construction at $350,000, annual operating about half that. William Harley, pres. of NAEB, says his organization estimates there will be 175-200 stations by 1968.

Equipment makers don't noise their estimates around. One thing they do say, however, is that a lot of people are talking blue sky when they speak of "thousands" of stations within 5-10 years.

Intriguing Samoan ETV project, for which Congress has appropriated special $1.75 million fund, is expected to begin telecasts in Feb. NAEB is supervising program, designed to lift Samoa's educational standards through 3 instructional channels. Smith Electronics handled design engineering. Project includes receivers, studios, microwave, translators, etc. NAEB is overseeing hiring & training of station personnel & teachers.

NEW ATTEMPT AT PAY-TV ON WEST COAST: Another crack at televised baseball in San Francisco & Los Angeles, via cable pay-TV, seems to be in works again. Subscription Television Inc. has been formed, and familiar name of Matty Fox is in there again. Details haven't been announced, but they're due to be released when stock registration is filed with SEC this week.

Firm involves 2 major companies: West Coast electronics manufacturer Lear-Siegler (which has Olympic as set-making subsidiary) and Chicago-centered Reuben H. Donnelley Corp. (best known as "Yellow Pages" publisher). Third element in picture includes Fox and ex-"Seventeen" magazine publisher Robert F. MacLeod.

Company will be capitalized at $22 million; original investors are putting up an additional $6 million. Lear-Siegler has designed wired-TV equipment; lines will be leased from phone company. Donnelley will handle billing. Fox, who's been working on similar project since San Francisco Giants & Los Angeles Dodgers moved to Coast in late 1950's, reportedly still has pay-TV contracts with these clubs under his Skiatron banner.

Plans call for pay-televising of Giants & Dodgers home games sometime next year. Company will expand to other cities if West Coast project is successful. Firm reportedly also has contract with impressario Sol Hurok for cultural fare. Other programming, e.g. movies & taped shows, also is planned.

Basic monthly charge reportedly would be $4.33, after $10 installation fee. Costs for each offering would range around $1-$1.50. Because Giants have contract with city of San Francisco, deal would have to be cleared with city officials.

SEC stock filing is expected to tell how much Subscription Television Inc. will be paying ball clubs for TV rights. When Skiatron was dealing with Giants about 5 years ago, there were reports of a $37.5 million deal over 15 years; another story mentioned $2 million over 2 years.

NIELSEN SAYS 'YES'; HARRIS STAFF ACTIVITY: Nielsen's long-awaited application for Rating Council accreditation—indicating final endorsement of reform plan—has been received by NAB. Company originally favored audit-only idea, balked at accreditation & setting of standards (Vol. 3:30 p4).

NAB now has OKs from all major raters. Rating Council's next step, by end of month: Send raters detailed questionnaires on their methods, with set of standards applying to all research services (Vol. 3:31 p3). Compliance with standards and with performance outlined in questionnaires will determine accreditation.

Articles of incorporation for non-profit company to oversee audit are being drawn up by NAB. Rating Council Inc. is tentative name, with present Council serving as board. Small staff will administer program. Bids have been requested from companies to do auditing under RCI supervision.

Harris Subcommittee staff keeps anxious eye on rating developments. Chief counsel Charles Howze plans to meet Aug. 19 & 22 with NAB rating principals—Group W's Donald McGannon, NAB vp's Howard Bell & Melvin Goldberg, possibly others. Subcommittee attorney Robert Richardson, who leaves staff job Aug. 20, will attend first meeting.

Meetings are viewed as critical by Howze, who's faced with task of weighing proposals & alternatives for Subcommittee members. It's understood Subcommittee wants to be reassured that NAB is ready to speak for entire industry. Nielsen's endorsement of NAB plan brightens picture considerably.

Here's latest staff planning on wrap-up of rating hearings, to be given to Subcommittee: Subcommittee report, as we indicated earlier, will contain 3 parts—background leading up to hearings, general survey of hearings highlights, findings & recommendations (Vol. 3:27 p3; 3:31 p3).

There's also tentative plan to publish edited transcript of hearings, which would appear before report. Because of size, it would be in 4 volumes: (1) First part of hearings covering testimony of networks, stations, FTC Chmn. Dixon & NAB Pres. Collins's initial appearance, in present edited form about 600 pages. (2) Testimony of all rating services, except Nielsen, about 500 pages. (3) Nielsen, which was on the stand about 10 days, about 600 pages. (4) FCC Chmn. Henry, RAB Pres. Bunker, Census Bureau witnesses, Collins's second appearance with McGannon, size not yet determined.

Another matter which may appear in printed record is report from each network on shows cancelled on basis of ratings. FCC Chmn. Henry promised to get this from networks. It will be ready by early Oct.

Investigator Richardson leaves to set up law office in Weatherford, Okla., preparatory to running for Congress from 6th district in Democratic primary next year. Rep. Wickersham (D) is incumbent.

Before he leaves ratings scene, however, Richardson will have something to say. He'll address Oklahoma Bcstrs. Assn. Aug. 24, on local ratings; he's tentatively set to participate in RAB management conferences in Dallas Sept. 16-17, Chicago Sept. 30 & Oct. 1; he also plans speech to Missouri Bcstrs. Assn. Oct. 3-4.

AAAA issued 20-page report evaluating radio research, said present state "frustrates and annoys a large percentage of media planners." It said that although there have been many prior reports & studies, "not much progress has been made toward objective study of valid ways of determining and reporting radio audience size and characteristics."

RAB Administrative Vp Miles David, welcomed report, said AAAA's recommendations are similar to RAB's objectives for its proposed $200,000 methodology study.

AAAA research subcommittee evaluated: (1) Basic market data (2) Station coverage data (3) Audience research. It urged radio to implement recommendation of 1961 "Madow Report," calling for establishment of Office of Research Methodology to evaluate & develop "the most valid and reliable" methods.

Other recommendations: Standardize coverage reporting procedures, county-by-county, based preferably on consumer coverage reports of actual listening; provide revised coverage reports where technical facilities or programming is changed; standardize station & program characteristics on listener attitude or qualitative studies; develop sharper measures of effect of station "environment" on response to commercials.

CATV—INDUSTRY IN TRANSITION: Community antenna business is certainly in flux. The "big boys" continue to move in. Prominent telecasters have taken plunge. Many theater people who missed boat on TV stations are making sure they don't overlook this 2nd chance at TV. Watch for more big move-ins before long.

Backwoodsy flavor of early CATV days is fast dissipating. CATV has become significant enough to draw attention of govt., as well as eye of investors.

National Community TV Assn. has come a long way toward accepting a degree of federal govt. regulation—willing to exchange some freedom for some protection of chaos of patchwork local-station regulation.

When FCC returns from Aug. vacation, new round of discussions begins. Much depends on Chmn. Henry. Former Chmn. Minow really wanted to wrap up a final agreement before he left, regretted that he didn't. FCC staff has taken tougher line than Minow did. Thing to watch for is Henry's attitude; it will set tone for discussions.

There's militant faction within NCTA which vows not to accept a tough line. It has found it has some influence in Congress, and there's talk of pushing a "ripper bill"—to take FCC apart. Of course, similar talk has come from some broadcasters, too, when they're displeased with Commission. It never seems to worry FCC seriously, apparently.

Prospects of CATV regulation, tough or lenient, don't faze CATV hopefuls. We've checked around, for example, and found new systems starting in last 3 months in following communities: Fairbury, Neb.; Olney, Ill.; El Cajon, Cal.; Oakland, N. J.; Rochester, Minn.; Jackson, Miss.; Honolulu; Waycross, Ga.; Vincennes, Ind.; Springfield, Ill. And the country seems awash with CATV prospectors.

Little is heard about overseas developments—but there are persistent rumors of substantial things in works—and some of industry's saviest people have been out scouting.

We look for heat in the business this winter.

DAVID BLANK— CBS'S FREE-WHEELER: "The Man for All Seasons at CBS" titles Aug. 10 "Business Week" article on economist David Blank. The highly respected but little publicized Blank is given very free hand—and researcher Frank Stanton, CBS pres., is delighted with Blank's results.

Article reports that "Wall Streeters" were dubious about TV & CBS growth potential, stimulating Blank to make study concluding TV revenues should increase 9% annually for next decade, that TV-home saturation should rise from 91% to 96% in same period, that rates could be increased accordingly.

Story notes that Blank decided color-set-sales figures—unavailable from industry (meaning RCA)—could be determined by projecting color-set counts made by 6 electric utility firms. He concluded 425,000 were sold in 1962.

Blank also challenges McCann-Erickson's figures showing 1929 to be "Golden Age" in which advertising took greater share of Gross National Product than it has since. Blank claims ad percentage has grown steadily. TV station sellers ought to be particularly pleased with Blank's projections.

Senate version of FCC-requested bill to give it "greater discretion" in approving station sales was introduced by Sen. Magnuson (D-Wash.). S-2052 would give Commission opportunity to evaluate public interest aspects of sale by allowing it to consider buyers other than those proposed by sellers. Comr. Bartley would add proviso that seller "prove" transfer would create "improved broadcast structure." Similar House measures (HR-7477, 7478) were introduced last month (Vol. 3:28 p5).

White House meeting with broadcasters, similar to those President Kennedy has been holding with newspaper editors & publishers, takes place Aug. 22, described as first of a series. Luncheon will be attended by 22 station executives—no network or NAB representatives though NAB played part in working out idea with Pierre Salinger, President's news chief.

Puerto Rico is added to ARB's local TV market reports, with 2 surveys of San Juan scheduled for 1963-64. These will be taken during ARB's customary Nov. & March nationwide sweeps. One TV station has subscribed so far, and several agencies & advertisers are interested, says ARB.

Segregationist congressmen are keeping on FCC's trail, checking on Commission's interpretation of "fairness," seeking more network & station exposure of their views. Commission answers with reiteration of its recent policy statement (Vol. 3:30 p3).

CBS donated $250,000 for ETV Ch. 28 in Los Angeles. Dr. Lee DuBridge, chmn. of Community TV of Southern California, said station expects to be on air in fall 1964.

Five-station ETV network in Pennsylvania has moved step closer. Bill providing $970,000 for project was signed by Gov. Scranton.

Omaha local-live hearing report by FCC Chmn. Henry has been delayed, is now expected in early Sept.

Metropolitan Bcstg.'s 7 TV stations join TvB.

1964 TELEVISION FACTBOOK ADVERTISING

The 1964 Edition of **Television Factbook** (#34) is now in preparation and advertising space reservations are being accepted. The **Factbook**, with a circulation sharply increased to 10,000, is used daily by executives in all facets of the TV industry—the people who make the decisions and buy time, equipment, services. Thus it becomes the most effective advertising medium available to those selling to the television industry. The **Factbook**, including its exclusive coverage maps and viewing data, marketing information and directories, will be fully up-dated throughout. Furthermore, it will contain the most comprehensive International Television Directory yet published. To reserve your advertising space in this 1200-page-plus compendium, call, write or wire: **Television Factbook**, 2025 Eye St. N.W., Washington 6, D. C.; Area Code 202-965-1985; TWX: 202-965-0979. Many choice positions are still available. Copy deadline is October 15th.

Robert D. Swezey, NAB Code Authority dir., leaves $40,000-a-year job Oct. 15 when contract expires. Pres. Collins lauded him as he left, said there's no hurry to pick successor who'll probably be named in late fall. Collins will choose him, subject to Board confirmation, salary to be negotiated. Before leaving, Swezey will help arrange Code Review Board meetings before Fall Conferences which start Oct. 14.

Personals

Joseph H. McConnell, Reynolds Metals pres., NBC pres. 1949-52, named chmn. of U.S. delegation to Oct. 7-Nov. 8 ITU space communications allocations conference, in Geneva.

Stimson Bullitt, chmn., KREM-TV-AM-FM Spokane, elected pres., succeeding **Louis Wasmer,** resigned; **Mrs. A. Scott Bullitt,** chmn. of parent King Bcstg., named KREM Bcstg. chmn.; **Ancil H. Payne** elected King business vp.

Thomas E. Cunningham appointed UPI TV-radio sales mgr... **Norman Wagy** promoted to news & editorial dir., WJW-TV Cleveland, succeeding **Ken Armstrong,** resigned.

Sam Chase, "Billboard" editor-in-chief, resigns to form management consultant firm at 527 Madison Ave., N.Y.; **Lee Zhito** promoted to succeed him.

James Karyan appointed by NBC News to produce Washington documentaries... **Donn B. Duffy** appointed national sales service coordinator, WTTG Washington.

Stephen R. Rintoul, vp & radio sales mgr., Venard, Torbet & McConnell, N.Y., transfers to Chicago in similar capacity, succeeded by **Brock Petersen** as N.Y. radio sales mgr.

New reps: KARD-TV Wichita, to Petry from Peters, Griffin, Woodward; new WHNT Huntsville, Ala., due to start in early fall, to Venard, Torbet & McConnell; KRCR-TV Chico-Redding & new WNBE-TV New Bern, N.C., to Adam Young Inc.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

TV SALES UP & CLIMBING AT MIDYEAR: Buoyed by record June volume, distributor sales of black-&-white TVs closed out 1963's first half more than 200,000 units ahead of 1962's initial 6 months. Official EIA figures show Jan.-June TV sales of 2,956,808 units—up from 2,724,038 in same 1962 period.

June TV sales, as forecast in informal preliminary report (Vol. 3:30 p10), picked up sharply from April-May doldrums, climbed to 541,810 units from June-1962's record 480,510. Sales surge made June 1963's 2nd highest month, topped only by March's 601,797.

June also was big radio sales month—but not big enough to top year ago or to push cumulative business ahead of 1962's first-half totals. Distributor radio sales at close of half totaled 3,935,670—sharply behind year-earlier's 4,800,574. June's 811,923 volume was 1963's 2nd highest monthly total—topped only by March's 818,510. However, June volume lagged well behind year-ago's 1,040,598.

Here are EIA's official midyear TV-radio distributor sales to dealers:

TV-RADIO DISTRIBUTOR SALES

	Black-&-White TV		Radio (excl. auto)	
Month	1963	1962	1963	1962
January	503,821	465,836	453,348	562,869
February	535,999	521,275	616,036	697,893
March	601,797	580,876	818,510	917,236
April	395,166	364,742	637,443	809,499
May	378,215	310,799	598,410	772,479
June	541,810	480,510	811,923	1,040,598
TOTAL	**2,956,808**	**2,724,038**	**3,935,670**	**4,800,574**

Same TV-up, radio-down pattern prevailed in production. First-half TV output ran markedly ahead of year ago—3,459,921 vs. 3,295,501. June was 1963's 2nd highest TV production month, saw outpouring of 665,004 sets vs. 620,653 in June 1962.

June also was marked by highest monthly output of all-channel TV receivers in 7 years. Production of 107,500 all-channel sets more than doubled June-1962's 50,283, pushed year-to-date output to 433,339 vs. 275,446 in 1962's first half.

Total radio production ran behind year ago in both June & cumulative totals. June's 1,653,866 was highest monthly total for year but short of June-1962's 1,721,873. Jan.-June production trailed year ago by nearly 700,000 units—8,585,238 vs. 9,264,445.

FM radio production, excluding FM car radios, was upbeat all the way. Year-to-date output outran year-earlier, 640,907 vs. 459,508. June's 154,818 sets were 1963's highest monthly output and strongly ahead of June 1962's 92,287. Auto radio production was ahead on June-to-June reckoning 670,106 vs. 629,004, and year-to-date 3,752,626 vs. 3,271,477.

FM-stereo reception capability was incorporated in 57% of all TV-radio & radio-phono combinations produced during 2nd quarter, EIA also noted. This compares with approximately 50% of first-quarter production. Of April-June's 354,824 combinations, 203,324 are FM-stereo equipped. This breaks down into 27,017 of total 57,829 TV-radio combos produced; 176,307 of total 296,995 radio-phonograph combinations.

Here are EIA's official TV & radio production figures for first half:

BLACK-&-WHITE TELEVISION PRODUCTION

Month	Total 1963	Total 1962	All-Channel 1963	All-Channel 1962
January	484,415	488,869	58,032	39,609
February	557,931	541,494	63,713	46,715
March	696,435	659,251	76,481	48,323
April	548,637	510,587	70,405	51,107
May	507,499	474,647	57,208	39,409
June	665,004	620,653	107,500	50,283
TOTAL	**3,459,921**	**3,295,501**	**433,339**	**275,446**

RADIO PRODUCTION

Month	Total 1963	Total 1962	Auto Radio 1963	Auto Radio 1962	FM 1963	FM 1962
January	1,229,507	1,350,630	594,505	530,589	87,641	76,510
February	1,389,652	1,464,797	657,691	480,232	75,544	84,216
March	1,568,381	1,810,417	677,613	607,510	100,940	81,010
April	1,359,769	1,472,654	596,899	519,296	102,208	63,193
May	1,384,063	1,444,074	555,812	504,846	119,756	62,292
June	1,653,866	1,721,873	670,106	629,004	154,818	92,287
TOTAL	**8,585,238**	**9,264,445**	**3,752,626**	**3,271,477**	**640,907**	**459,508**

SET MAKERS POST SOLID FIRST-HALF GAINS: TV-radio manufacturers generally gained momentum in June quarter & rounded 1963's halfway mark with collective sales & earnings strongly ahead of year earlier. Sales picture, however, was brighter than profit performance, and several firms closed first half with earnings lagging. In most cases, it should be noted, profit declines were attributed to investments in upcoming color TV production.

Six volume producers of TVs & radios-Admiral, Andrea, Magnavox, Motorola, Wells-Gardner, Zenith—boosted amalgamated sales $28.6 million to $528.6 million from $500 million in 1962's first half. Their earnings rose some $345,000 to $18.6 million from $18.2 million. The 1963 figure is after deducting Andrea's $2,904 loss. At end of first quarter (Vol. 3:20 p9), it's interesting to note, earnings of 8 volume set makers declined by some $300,000 despite $17.2 million sales gain over 1962's initial 3 months.

Impressive first-half gains were posted by 5 companies—Arvin Industries, GE, GT&E (Sylvania), RCA, Westinghouse—in which TVs & radios are but several of numerous consumer & defense products. They boosted first-half sales by $206 million to $5.025 billion from $4.819 billion, increased profits $20.7 million to $229.6 million from $208.9 million.

Our first-half sales-profit analysis also included 4 volume set makers—Muntz TV, Pacific Mercury, Packard Bell, Trav-Ler—whose 9-month or 12-month fiscal periods closed during calendar half. Their combined sales rose $3.8 million from year ago to $91.1 million from $87.3 million. Their earnings rose by some $727,000 to $2.1 million from $1.3 million. The 1962 figure is after deducting Packard Bell's $333,000 loss.

Over-all, our analysis of these 15 set makers produced these nutshell findings: (1) Overwhelming number—12 of 15—netted sales gains. (2) Ten of 15 increased earnings. (3) Combined sales & profits were markedly ahead of first-half 1962. (4) Only one of 15—Andrea—failed to close first half in the black. (5) Six companies posted sales records. (6) Four set makers had record earnings.

Among volume producers, Motorola & Zenith had record sales, and latter also posted record earnings. Among multi-product companies, record sales & earnings were scored by GT&E, GE & RCA. Westinghouse had record sales.

Profit gains of 10 firms that improved earnings were sizable in number of instances. RCA jumped $5.4 million to $29.4 million from $24 million. GE rose to $126.1 million from $120 million. Packard Bell bounced back from year-earlier $333,000 loss with $805,000 profit. GT&E climbed to $46.3 million from $38.4 million. Pacific Mercury, in year to March 31, nearly doubled earnings to $482,740 from $252,749.

Major sales gains were produced by Admiral—to $100.4 million from $94.7 million; Zenith—$166.3 million from $146 million; Motorola—$172.2 million from $159.7 million. Westinghouse pushed over billion dollar sales mark from $957 million. RCA jumped to $877.3 million from $853.9 million.

Here are 1963-vs. 1962 first-half performances of 6 volume producers:

	Sales		Earnings	
	1963	1962	1963	1962
Admiral	$100,418,045	$ 94,740,193	$ 1,463,295	$ 858,058
Andrea Radio	2,156,576	2,733,058	(2,904)	149,711
Magnavox	77,880,000	87,563,000	4,394,000	4,285,000
Motorola	172,166,230	159,649,347	4,913,094	5,685,976
Wells-Gardner	9,643,000	9,307,000	131,000	246,000
Zenith	166,289,000	145,997,000	7,654,000	6,983,000
TOTALS	**$528,552,485**	**$499,989,598**	**$18,552,485**	**$18,207,745**

Here are comparative first halves of 5 multi-product companies:

Arvin Industries	$ 46,633,000	$ 40,108,000	$ 1,213,000	$ 1,007,000
GE	2,397,358,000	2,318,836,000	126,120,000	119,977,000
GT&E (Sylvania)	684,475,000	649,338,000	46,286,000	38,387,000
RCA	877,300,000	853,900,000	29,400,000	24,000,000
Westinghouse	1,019,546,000	956,971,000	26,589,000	25,514,000
TOTALS	**$5,025,312,000**	**$4,819,153,000**	**$229,608,000**	**$208,885,000**

Here's fiscal performance of 4 additional volume producers:

Muntz TV (9 mo. to May 31)	$ 9,133,199	$ 8,862,320	$ 532,521	$ 783,689
Pacific Mercury (year to March 31)	21,875,333	17,414,000	482,740	252,749
Packard Bell (9 mo. to June 30)	37,967,000	35,931,000	805,000	(333,000)
Trav-Ler Industries (year to April 30)	22,105,904	25,065,078	248,766	639,499
TOTALS	**$91,081,436**	**$87,272,398**	**$2,069,027**	**$1,342,937**

QUALITY STABILIZATION—ANOTHER GO-ROUND: Amid growing industry belief that some form of Quality Stabilization legislation now is good bet to pass House this year, Senate Commerce Subcommittee is slated to open 3-day hearings today on its S-774 version.

This will be Senate group's 2nd review of pros & cons this year (Vol. 3:23 p8), and interest is such that there won't be time to hear all who want to be heard. Among applicants who drew blanks were 2 members of anti-QS National Assn. of Mass Merchandisers, which had been represented at earlier hearings.

There's increasing belief that discount industry, which stands to lose much under QS regulations, allowed opponents to steal march in House. With HR-3669 now through Commerce Committee and awaiting action by Rules Committee to move onto floor, discounters are shedding apathy & sharpening battle tactics for "last stand" fight in Senate.

"Many people in the low-margin retailing field are now, for the first time, beginning to understand what QS is and what it means to them," we were told last week by NAMM Exec. Secy. Roger Courtland. "They're just beginning to realize that QS could put a lot of them out of business."

He explained discount industry's general apathy: "The people in this mushrooming discount industry have been so busy with business, expansion and opening new stores that many of them haven't even had time to read the newspapers. Until recently, many didn't know how the bill would affect them. However, as soon as they understand that QS is price-fixing in disguise & has nothing to do with quality, they understand the threat to their business."

Concurrence came from industry trade paper "Discount Store News," which emphasized editorially in Aug. 12 issue: "We would like to goad or shame into action a discount industry which apparently has done little to protest & even knows less about a bill (HR-3669) which would amount to Federal Fair Trade Law & could seriously hamper the pricing techniques of a discount industry based on pricing technique. For the fight let's give cards, spades & the House to pro-QS lobbyers & concentrate on the Senate which has not yet blessed this latest price-fix gambit."

TV-RADIO PRODUCTION: EIA statistics for week ended Aug. 9 (32nd week of 1963):

	Aug. 3-9	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV...	127,726	106,449	129,822	4,093,306	3,867,331
Total radio	272,083	211,185	270,081	10,074,973	10,827,494
Auto radio.....	109,013	63,177	131,299	4,279,269	3,826,909

TOPICS & TRENDS

Servicing industry, "presently accounting for more than $5 billion in gross sales," will get tremendous hypo from color TV, RCA Sales Corp. Pres. Raymond W. Saxon told Texas Electronics Assn.'s 11th Annual Clinic & Fair. "The opportunities for dealers who emphasize service in selling color TV is particularly promising because today's consumer will not buy a color set like a box of cereal off the shelf of the supermarket," he said, "though some consumers may be buying portable sets like this today." He noted that independent servicemen now handle more than 94% of service business on RCA TV sets.

Electronic Components Conference of 1964, sponsored by EIA & IEEE, with American Society for Quality Control participating, convenes in Washington, D.C. May 5-7, seeks papers for presentation in these areas: Resistors, capacitors, connectors, printed wiring, materials for components, thin film devices, microminiaturization, conductors & cables, reliability & testing techniques. Three copies of 500 word abstract should be sent by Nov. 1 to technical program chairman, Dr. John J. Bohrer, International Resistance Co., 401 N. Broad St., Phila. 8, Pa.

Motorola now foresees 1963 color sales of 600,000-700,000 units, up from previous estimate of 600,000 maximum. Consumer Products Pres. Edward R. Taylor believes lower prices & Motorola's entry in field & introduction of 23-in. sets will produce the additional sales. Forecast for b&w sets: 6.5-7 million.

J. C. Penney will soon add color TVs in most of the 74 of its 1,684 stores now selling private-label b&w sets. Initial color models will be 21-in. consoles made by Wells-Gardner for Penney's Penncrest label. Some Penney stores are expected to have color sets before month's end.

Litton Industries is forming a division to make & market microwave cooking & heating ovens for commercial use, anticipates "a multi-million-dollar investment in the field over the next few years." Litton currently is a supplier of components for microwave ovens.

Trade Personals

Lawrence Levy elected Raytheon corporate development vp, a new post.

Robert E. Kirby elected Westinghouse engineering vp, succeeded by **James M. Beggs** as Electronics Div. gen. mgr.

W. Stratton Anderson Jr., former State Dept. foreign service officer, named vp of GT&E International and GT&E Service Corp.

James J. Egan appointed TV products mgr., Westinghouse TV-Radio Div. mktg. dept., a new post. Other new posts in department reorganization: **Herc Paxinos**, radio & intercommunication products mgr.; **S. Silverman**, replay products mgr. (stereo, phonographs, tape recorders); **Dominick F. Sementa**, selective distribution sales mgr.; **A. D. Burke**, multiple distribution sales mgr.

William A. Ray, founder of General Controls, and **George K. Bryant**, long-time RCA, elected chmn. & pres., respectively, of ITT General Controls.

Howard J. Corey elected Oxford Electric pres. & chief exec. officer, succeeding **J. B. Ceader**, who continues as chmn. . . **Arthur T. Cestaro** appointed General Electronic Labs broadcast products mgr.

Everett W. Woerter, formerly American Machine & Foundry, appointed EIA staff engineer for Parts Div., succeeding **J. Howard Schumacher.**

Wayne B. Swift appointed vp & northeastern regional dir. of C-E-I-R's Boston center.

Louis H. Backe III, ex-RCA, named southeastern regional mgr., ITT Distributor Products Div. . . **Charles E. Shaw Jr.** appointed Philco Consumer Products Div. industrial relations mgr., a new post.

W. F. Wansbrough, Canadian GE vp, will be keynote speaker at Aug. 23 CNE's press, radio & TV directors luncheon.

G. Willard King appointed asst. PR dir., Illinois Institute of Technology; **Gunther Marx** named to similar post at IIT Research Institute.

Obituary

Louis Abrams, 68, co-founder & a dir. of Emerson Radio & Phonograph, died Aug. 15 in New York's Doctors Hospital after a long illness. He had been in the phonograph industry since 1915, co-founded Emerson in 1922 with brothers Benjamin (now Emerson pres.) & Max (secy.-treas.). Abrams' most recent corporate post was pres. of subsidiary Plastimold Corp. Illness forced his retirement from active corporate participation several months ago. He is survived by widow & son.

DISTRIBUTOR NOTES: **Philco** establishes factory branch to succeed **Medaris Co.** as distributor in Dallas & Lubbock, Texas. PDI-Dallas will operate from offices at 1202 Dragon St., Dallas, and 23rd & C Sts., Lubbock. **Ed Rogers** is branch mgr... **Westinghouse Appliance Sales** appoints **Richard Affel** TV & stereo product sales mgr. for New York & parts of New Jersey & Connecticut, succeeding **Max Zagoren**, resigned to open manufacturers rep office in New York... **George H. Wilkins** resigns as Magnavox's metropolitan New York zone mgr., succeeded by **Philip Weil.**

RCA DROPS COLOR PRICE: Adding impetus to downward trend of color TV pricing, RCA this week put lowest base on its color line in 7 years by adding 21-in., black metal table model at $449.95—as we forecast last May (Vol. 3:20 p8). This "lowest ever" set supplants $495 models which had been RCA price starters since 1956.

"Color sales growth will be stimulated even further this fall with the introduction of this lower priced set," announced RCA Sales Corp. Pres. Raymond W. Saxon. He also forecast "record RCA TV sales rate" this year with "well over one million sets produced and sold." Color will account for greater proportion of this total than last year, but RCA b&w sales "are headed for their best showing since 1957."

Also added by RCA: Lowboy hardboard color consolette at $549.95, b&w 23-in. lowboy at $228.88 and 2 top-of-the-line 100-watt stereo consoles at $795 & $695.

CBS'S RECORD PACE: CBS sales & earnings rose to record levels in both first half & June quarter (see financial table). First-half earnings rose sharply to $19.4 million from $14.6 million on sales gain to $273.3 million from $253.1 million.

TV Network & TV Stations Divs. contributed to upbeat performance with sales markedly ahead of year earlier, Chmn. William S. Paley & Pres. Frank Stanton noted in stockholder report, adding: Ad revenues of TV industry in first quarter were "approximately 10% above" same 1962 period, and rate of growth of TV revenues, once expected to level off, continues to increase. Current pace "even exceeds the rapid rate of growth during the 1957-59 period." Paley & Stanton also noted that "current year sales & orders for CBS Radio Network," at end of first half, "exceeded by over 1/3 the network's revenues for the full year 1962."

TelePrompTer is selling its Cherry Hill, N.J.-based Weathers, Conley Electronics & Audio-Visual Divs. to Defiance Industries in $1.5-million-plus transaction slated for consummation early next month. TelePrompTer Pres. Irving B. Kahn said businesses being sold account for approximately 40% of company's gross revenues but represent less than 10% of total assets. H.J. Schlafly Jr. will resign as engineering vp to become executive head of the Cherry Hill operation under Defiance Industries. He will continue as a TelePrompTer dir. TelePrompTer will concentrate on expanding its CATV holdings & related closed-circuit TV & meeting production services, anticipates "the highest earnings in our corporate history in 1963," Kahn said.

Zenith dropped in what it describes as "the only TV receiver on the market today that combines portability with the convenience of a remote control that turns set off & on, changes channels to the left & to the right, adjusts volume to any of 3 different levels, and silences sound while the picture stays on the screen." New set is 19-in. "Shorecrest" at $269.95, including Space Command Remote Control as standard equipment.

Macfadden-Bartell expects 1963 profit to jump to more than $1 million from 1962's $162,738. Pres. Lee Bartell said revenues should rise to nearly $25 million from $23.2 million. Company's broadcasting stations produced 213% gain in operating profit in first half (Vol. 3:32 p12) to $294,282 & continue to forge ahead, he said.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Ampex	1963—6 mo. to July 31	$ 23,413,000	$ 1,795,000	$ 933,000	$0.12	7,827,000
	1962—6 mo. to July 31	21,523,000	1,483,000	878,000	.11	7,799,000
CBS Story on p 9	1963—26 wks. to June 29	273,276,969[3]	40,735,017	19,370,017[3,4]	2.11	9,185,318
	1962—26 wks. to June 30	253,135,149	31,940,720	14,587,720	1.59	9,160,362
	1963—qtr. to June 29	132,063,108[3]	—	9,195,016[3]	1.00	9,185,318
	1962—qtr. to June 29	121,167,754	—	6,513,940	.71	9,160,362
Decca Records	1963—6 mo. to June 30	—	—	2,625,372	1.72	1,527,401
	1962—6 mo. to June 30	—	—	3,313,972	2.17	1,527,401
Walt Disney Productions	1963—9 mo. to June 29	53,709,831	—	4,453,692	2.58	1,725,049
	1962—9 mo. to June 29	49,716,429	—	3,452,223	2.06	1,647,804
	1963—qtr. to June 29	21,467,975	—	1,877,136	1.09	1,725,049
	1962—qtr. to June 29	17,073,148	—	1,027,158	.61	1,647,804
Eitel-McCullough	1963—6 mo. to June 30	—	—	225,000[1]	.12	1,842,288
	1962—6 mo. to June 30	—	—	262,000	.14	1,842,288
GPE	1963—6 mo. to June 30	105,600,000	—	1,500,000	.78[8]	1,643,101
	1962—6 mo. to June 30	107,900,000	—	1,900,000	1.02[8]	1,643,101
	1963—qtr. to June 30	57,300,000	—	607,871	.30[8]	1,643,101
	1962—qtr. to June 30	59,600,000	—	1,031,089	.56[8]	1,643,101
ITT	1963—6 mo. to June 30	582,519,658[3]	—	21,481,372[3]	1.25	16,725,508
	1962—6 mo. to June 30	535,275,694	—	19,000,433	1.11	16,486,872
	1963—qtr. to June 30	301,686,919[3]	—	11,966,965[3]	.70	16,725,508
	1962—qtr. to June 30	283,714,606	—	10,646,107	.62	16,486,872
Litton Industries	1963—year to July 31[5]	550,000,000[3]	—	23,300,000[3]	2.29	10,145,217
	1962—year to July 31	393,807,709	—	16,315,952	1.64	10,145,217
MCA	1963—6 mo. to June 30	—	—	7,189,000	1.45	4,538,770
	1962—6 mo. to June 30	—	—	6,631,000	1.38	4,519,603
	1963—qtr. to June 30	—	—	4,031,304	.82	4,538,770
	1962—qtr. to June 30	—	—	2,427,159	.34	4,519,603
Oxford Electric	1963—6 mo. to June 30	5,062,968	—	(52,917)	—	461,989
	1962—6 mo. to June 30	4,746,320	—	54,111	—	436,466
	1963—qtr. to June 30	2,973,168	—	8,757	.02	461,989
	1962—qtr. to June 30	2,482,737	—	31,447	.07	436,466
Paramount Pictures	1963—6 mo. to June 30	—	—	610,000[6]	.37[6]	—
	1962—6 mo. to June 30	—	—	1,701,000	1.01	—
	1963—qtr. to June 30	—	—	335,000[7]	.21[7]	—
	1962—qtr. to June 30	—	—	572,000	.34	—
Reeves Industries	1963—6 mo. to June 30	4,066,000	(122,000)	(59,000)[2]	—	3,236,775
	1962—6 mo. to June 30	4,023,000	19,000	12,000	—	3,235,515

Notes: [1]Before gain of $203,000 (11¢ a share) from sale of property. [2]After $63,000 tax credit. [3]Record. [4]Before $1,499,014 net gain on disposition of certain real estate. [5]Preliminary. [6]Before $1,785,000 ($1.10 a share) profit on sale of investments. [7]Before $1,340,000 (82¢) profit on sale of investments. [8]After preferred dividends.

Reports & comments: **RCA**, report, Burnham & Co., 60 Broad St., N. Y. 4... **Motorola** & **AT&T**, analyses, Paine, Webber, Jackson & Curtis, 25 Broad St., N. Y. 4 ... **Schlumberger (Daystrom)**, analysis, Gerstley, Sunstein & Co., 121 S. Broad St., Philadelphia 7... **International Resistance**, comments, Sincere & Co., 231 S. LaSalle St., Chicago 4. . . **RCA**, review, Coggeshall & Ricks, 111 Broadway, N. Y. 6. . . **Columbia Pictures**, review, Paine, Webber, Jackson & Curtis, 25 Broad St. N. Y. 4.

NAB LIBRARY

WEEKLY

Television Digest

with

Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

AUGUST 26, 1963 NEW SERIES VOL. 3, No. 34

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

PRESIDENT'S BUSINESSMAN'S LUNCH with 19 broadcasters is first in series; Kennedy seems surprised at depth of concern about FCC regulatory efforts (p. 1).

NAB FIGHTS CHALLENGES TO LEADERSHIP, says 1964 'National Broadcast Editorial Conference' is duplication. GAB meeting with State Dept. also draws fire (p. 2).

HARRIS STAFF LIKES NAB'S RATINGS PROGRESS, is 'very much encouraged;' parties show each other their recommended standards; NAB expects plan to start before year is out (p. 2).

NCTA POSITION—WORK WITH FCC, says Chmn. Stevenson who rejects those who'd 'rip' Commission. Pres. Dalton resigns, will be consultant (p. 3).

DETAILS OF WEST COAST PAY-TV CABLE DEAL filed with SEC; Donnelley, Lear-Siegler & Tolvision (Matty Fox) to end up with 10% each in $27 million deal (p. 3).

ACLU QUESTIONS FCC FREE-SPEECH 'EXPERTISE,' accuses Commission of 'vague standards' on 'vulgarity' in Appeals Court brief (p. 4).

Consumer Electronics

TRANSISTORS TAKE OVER in uhf tuners, as most tuner makers agree that they'll become competitive with tubes this year (p. 7).

PHONO SALES UP SHARPLY AT MIDYEAR: Distributor volume increases nearly 330,000 units to 1,759,470 phonographs vs. 1,429,687 in Jan.-June 1962; factory sales climbed 327,000 units ahead to 1,894,298 from 1,567,385, EIA reports (p. 8).

COMPONENTS PROFITS DWINDLE IN FIRST HALF: Combined earnings of 24 manufacturers dropped $5.1 million to $29.5 million (p. 9).

TUBE SALES LAG AT HALF: Factory sales of both TV picture & receiving tubes trailed year-earlier's unit & dollar volume in both June quarter & first half. Jan.-June TV tube sales drop (p. 10).

PACIFIC MERCURY WILL MERGE into Warwick Electronics if stockholders of both firms & California Corporation Commission approve. Warwick Pres. L. G. Haggerty would be pres. of amalgamated firm (p. 11).

PRESIDENT'S BUSINESSMAN'S LUNCH: President Kennedy & 19 leading broadcasters had very nice lunch Aug. 22, by all reports, in first of series similar to those he has had with publishers & editors. NAB broached idea to White House many months ago, finally achieved fruition—though no one from NAB hq attended, and no one from staff suggested guest list (which, of course, would have been sheer suicide). It's assumed Presidential advisor J. Leonard Reinsch, of Cox Stations, had substantial hand in suggesting names. Date for next lunch hasn't been set, and jockeying for invitations might take place—it's rumored. (For guest list, see p. 5.)

Ground rules of such meetings prohibit quoting President, and sessions are supposed to be off-record, but communicators have tendency to communicate. Broadcasters were forthright in their expression of concern that FCC is going too far in regulation, and President seemed somewhat suprised at degree of their unhappiness.

There was considerable talk about editorializing, and President indicated that his earlier highly pro-editorializing position has been tempered somewhat lately by broadcast views of extreme right wingers, such as "Lifeline" program. Among other things, broadcasters voiced worries about FCC's proposal on commercial ceiling, about grants of too many radio stations, about possibility of too many TVs some day. They also said they'd like a broadcaster on FCC. (Fact is, one was considered before Loevinger appointment.) Kennedy's reaction to foregoing was described as "thoughtful," "interested," "sympathetic," "noncommittal," etc. Take your choice.

There was complete agreement that food was excellent, that atmosphere was cordial, that Kennedy was charming. He had high praise for TV-radio's contributions, and his guests departed feeling well hosted.

NAB FIGHTS CHALLENGES TO LEADERSHIP: NAB finally got fed up with efforts by other groups to usurp its national role, finally said so last week. Up to now, NAB has been irritated but quiet about such things as Ga. Assn. of Bcstrs., "National Broadcast Editorial Conference" in Athens, Ga. (Vol. 3:30 p3). But when GAB came to Washington trying to arrange an international conference in Atlanta, with State Dept. help, and when meeting was held in Washington to plan 1964 Editorial Conference, NAB boiled over.

Editorializing is part of NAB's job, said Vp Howard Bell who was observer at planning session. He said NAB has "no intention of abandoning its national responsibility to any other agency... If state organizations independently expand their programs into national or international fields, a fractionalization of effort is bound to occur."

NAB had participated in Athens conference, billed by GAB as first of kind. Bell noted that NAB held Public Affairs-Editorializing Conference in March 1962. He said such meetings outside NAB duplicate expense, responsibility, effort. NAB may hold 2nd editorializing conference in Feb., in conjunction with annual state assn. presidents' meeting. He said this isn't "anti-state association" stand, that NAB seeks groups' support on many matters. For example, he noted, Govt. Affairs Mgr. Hollis Seavey attended Okla. Bcstrs. Assn. meeting last week, urged members to come to Washington to get their congressional delegation to fight FCC proposal to limit commercials. NAB plans shortly to announce steps to strengthen ties with state groups.

Chmn. of 1963 editorializing conference in Athens, Dick Mendenhall, WSB-TV Atlanta, asserted: "We intend to go ahead and have a conference." Ralph Renick, WTVJ Miami, has been named 1964 chmn. GAB & Fla. Assn. of Bcstrs. have offered conference sites; final decision is due by Jan. 15.

Mendenhall said group wants NAB's cooperation but believes that editorializing is "unique function that doesn't belong to NAB, GAB or anybody else. We are trying to establish a national forum that would travel each year to different parts of the country, allowing all broadcasters to participate."

NAB turned down invitation to attend GAB meeting with State Dept. officials, told State it didn't endorse plan. NAB spokesman said Pres. Collins has been working with White House for more than year, on similar idea, covering program exchanges, frequency allocations, etc.

* * * *

Pres. Collins was rebuffed, meanwhile, by network presidents in his request for discussion of "problems & opportunities" in TV advertising, including "serious threats that we are now facing of unwarranted govt. incursions" and possibilities of "a serious reduction in the attractiveness of the medium for advertising purposes."

Collins had suggested that representatives of agencies & advertisers be included. Network presidents told Collins they're concerned about anti-trust aspects of such a meeting, that they didn't believe non-broadcasters should be included, that Code might be bypassed.

Collins didn't spell out what he's concerned about; he's known to be worried that congressional investigators might blow up small problems into big ones, that advertisers complain more & more about "clutter," that commercial "interruptions" are growing out of hand. He says industry might well forstall trouble on advertising front by acting now, believes that something similar to "ratings mess" may otherwise develop in this area, too.

HARRIS STAFF LIKES NAB RATINGS PROGRESS: Harris Subcommittee staff came away from 2 meetings with NAB rating reformers last week, "very much encouraged" over results to date. Chief counsel Charles Howze said "satisfactory progress" has been made, that in some things "NAB has moved faster than expected."

Meetings were called to review NAB's Rating Council efforts to establish an audit of ratings firms, to set minimum research standards, to work toward methods improvement. A written report will be sent to Subcommittee this week. Subcommittee also wanted to be reassured that Rating Council was acting for entire industry.

Now that Nielsen has applied for accreditation (Vol. 3:33 p2), all major raters have given OKs. Conlan ratings firm—raked over coals at hearings for inability to show field work had been done—hasn't yet applied for accreditation.

Harris staff and NAB exchanged looks at each other's recommended standards. Howze showed

recommendations staff will give Subcommittee for published report. NAB revealed its proposed standards developed by Melvin Goldberg, research vp, to apply to all research services regardless of method.

There was substantial agreement on most points. In fact, many staff recommendations were similar to NAB's standards. These included, among others, supervision & training of field personnel, tabulators, editors, plus clear & prominent statements in ratings report on sample size & procedures used in collection & tabulation of data.

There was only one substantial point of disagreement. NAB doesn't like staff's recommendation that ratings be reported in ranges rather than in single estimates. Staff believes this would place ratings in proper role as "estimates." But NAB believes industry would still be left with same old problem of over-promotion, stations using high point range in selling (Vol. 3:31 p3).

NAB also said that Rating Council would be operational before year is out. It's holding to schedule of sending individual questionnaires to rating firms by end of Aug.; these would be returned in about 3 weeks. There's meeting of Council Sept. 9 to review bylaws & articles of incorporation for Rating Council Inc. It will also give final approval to standards.

Aug. 19 meeting was attended by: Howze and staff attorney Robert Richardson; for NAB, Howard Bell, planning & development vp, Goldberg & Hollis Seavey, govt. relations mgr. Group W's Don McGannon, NAB research committee chmn., met with Howze Aug. 22. Richardson left Subcommittee job at mid-week (Vol. 3:33 p3), was to address Oklahoma Bcstrs. Assn. at week's end.

NCTA POSITION—WORK WITH FCC: "We ain't fightin' nobody." That's comment of NCTA Chmn. Fred Stevenson after reading our report (Vol. 3:33 p3) that one faction within NCTA would like to blast FCC because of its staff's recommendations for tough legislation. "As before," Stevenson told us, "we are eager to work with the Commission to come up with legislation to solve our problems. The attitude of some people, which you reported, certainly does not represent the view of NCTA."

Resignation of NCTA Pres. William Dalton Oct. 1 was announced, meanwhile. He'll continue as a consultant, presumably for the 15-16 months remaining in his contract. Job paid $50,000 annually. In addition, he'll be free to take on assignments in other fields, including hotel management.

No successor is in sight, and NCTA board is in no hurry to pick one. Many names will be mentioned promptly, but none is being considered seriously. Some NCTA forces are pushing for choice of man with CATV system operating experience and with capacity for Washington representation.

There seemed to be little progress, meanwhile, by Leon Papernow, exec. vp of H & B Communications Corp., to organize special group of major CATV operators to pursue own goals outside NCTA. One of largest operators, H & B quit NCTA earlier in year. But Papernow wrote Stevenson, assuring him that he envisioned no "rump" association fighting NCTA. Rather, he said, an association can't always achieve all objectives of all members who must sometimes act independently. But big RKO General, which has bought substantial chunk of H & B stock, remains NCTA member.

DETAILS OF WEST COAST PAY-TV CABLE DEAL: Pay-TV has had so many false, tentative & inconclusive starts that industry remains skeptical of even so well-backed a proposed venture as the West Coast deal just disclosed (Vol. 3:33 p2).

Reuben H. Donnelley Corp. and Lear-Siegler Inc. are no corporate weaklings, while Los Angeles Dodgers & San Francisco Giants are not unknown. Promoter Matty Fox is a bit different, having produced little but noise about pay TV heretofore. But he appears to have bounced back and put together quite a group.

New Subscription TV Inc. filed SEC registration statement (File 2-21653) last week, disclosing following details: 2,255,000 shares registered, 1,900,000 to be offered public at $12 each through Wm. R. Staats & Co., 640 S. Spring St., Los Angeles. Six parties have committed themselves to buy 300,000 shares at $12, while Dodgers & Giants have subscribed for remaining 55,000 at $12.

Currently, company has 1,328,972 shares outstanding—46.8% owned by Tolvision of America Inc. (77% held by Matty Fox), 11.3% by Donnelley, 11.3% by Lear-Siegler. Other stockholders include Dodgers 5.3%, Giants 4.1%. After sale of new offering, Donnelley, Lear-Siegler & Tolvision will hold 10% each. Temporary pres.-treas. is attorney Donald A. Petrie; Robert F. MacLeod, ex-"Seventeen" publisher, is vp & asst.-treas.-asst. secy.

Statement says that minimum of 20,000 homes each are to be linked by cable in San Francisco & Los Angeles by start of system July 1964 Two telephone companies have agreed to make engineering studies of cable-stringing job, but no contracts for job have been signed. Giants are to get 20% of gross receipts up to $1.5 million, 33 1/3% thereafter, for its home games; Dodgers would get $200,000 initially, then 33 1/3% of receipts. Deals are for 5 years.

Showman Sol Hurok also has been signed—to 5-year $10,000-a-month contract plus 0.5% of receipts on shows he supplies.

Price to subscribers: $10 installation, $4 monthly, plus $1-$1.50 for most games and shows. Counsel for Subscription TV Inc. is Hughes, Hubbard, Blair & Reed, One Wall St., N.Y.

Statement also reports law suit against firm by Standard Kollsman which claims company is bound by 1958 contract under which Standard was to supply 100,000 "program selectors." Lear-Siegler is supposed to make them now.

On another pay-TV front, Home Entertainment Co. of America (Oliver Unger, chmn.), 19th & Broadway, Santa Monica, Cal., reported plans to start pay-TV cable system in Houston by mid-1964 —tieing up with Houston businessman C. J. Tacconelly. Company said it's also studying Dallas, Ft. Worth, Austin.

ACLU QUESTIONS FCC FREE-SPEECH 'EXPERTISE': Unique "smut" case—FCC's license denial of radio WDKD Kingstree, S.C. year ago (Vol. 2:31 p3)—may be on way to becoming a classic in tortuous history of "obscenity."

FCC had denied license because it concluded that DJ Charlie Walker had broadcast material "coarse, vulgar, suggestive, and susceptive of indecent, double meaning." It also held that licensee E.G. Robinson was guilty of "misrepresentation" to Commission.

WDKD challenged decision in Court of Appeals, and last week American Civil Liberties Union filed amicus curiae brief on behalf of station. It picked interesting counsel for the job—Harry Plotkin. As FCC asst. gen. counsel over decade ago, Plotkin probably would have been just as rough on station as Commission is now. But, he says, "I think I've learned a little since then." He left FCC for private practice in 1951.

Position expressed in brief is this: FCC has come up with "vague standards." (1) "Vague standards are not fair to the licensee who must conform his conduct to govt. directives." (2) "Vague standards have a stultifying effect that goes beyond the individual licensee." (3) "Adequately stated standards are necessary if effective judicial review is to be maintained." Here's guts of brief:

"The statute authorizes the Commission to proceed with respect to 'obscene' programs, but the Commission has chosen not to do so. While ACLU recognizes that the test of obscenity is itself most difficult of application, nevertheless the fact remains that there have been several hundred years of judicial history interpreting the word and many learned articles have been written on the subject. With respect to the standard utilized by the Commission there is no judicial history to aid us. Nor does the Commission in its opinion furnish any narrowing or limiting scope...

"The Commission has frequently criticized broadcasting as a 'vast wasteland.' This criticism is not predicated upon any daring excursion by licensees into new fields. On the contrary the criticism has been of sameness, safe programs, timidity of approach. Yet the same agency that criticizes broadcasting on this score is one that in the next breath cautions licensees that they must not put on any programs that are judged patently offensive by ...the housewife, the teen-ager, the young child."

As for "misrepresentation" issue, ACLU argues that: (1) "Even though the Commission has indicated that it would have denied a renewal on misrepresentation alone had not the vulgarity issue been present, the intensity of its views on vulgarity is so strong that ACLU believes that some Commissioners might have voted a different way if they knew they could not have relied on the vulgarity issue for denial of license." (2) FCC refused initially to give station copies of tapes it considered "vulgar"—"a procedure which almost smacks of entrapment."

Another brisk comment: "While the courts are required to show deference to the findings and rulings of the Commission in the area of its expertise, ACLU submits that in the area of free speech the Commission has no specialized expertise."

UPCOMING STATIONS: WHYY-TV (Ch. 12 ETV) Wilmington, Del. is keeping to Sept. 12 programming target, writes Gen. Mgr. Richard S. Burdick. GE transmitter is to be ready Aug. 26, Stainless 864-ft. tower Aug. 28.

WNTV (Ch. 29 ETV) Greenville, S. C. hopes to be on air Sept. 15, reports Chief Engineer Charles S. Morris. Renovation of building for TV is well under way but delivery of GE transmitter has been delayed pending approval of HEW grant. Its 146-ft. tower was built by Greenville Iron & Steel Co. Morris has no target at present for S.C. Educational TV Commission's other CP, WITV (Ch. 7) Charleston, which will use existing 162-ft. Stainless tower.

WHNT-TV (Ch. 19) Huntsville, Ala. has 25-kw RCA transmitter on hand, expects to begin Oct. 1 as CBS affiliate, says John Godbold, secy.-treas. It has 254-ft. used Blaw-Knox tower, will have RCA antenna. Charles Grishan, ex-WAPI-TV Birmingham, will be gen. mgr. Rep: Venard, Torbet & McConnell.

WGHP-TV (Ch. 8) High Point, N. C. expects to meet Oct. 1 target for start with ABC, writes Pres. & Gen. Mgr. James W. Coan. Construction of studios & transmitter house has been completed. RCA 25-kw transmitter is on hand, and 1255-ft. Kline tower is 20% completed. Storer will be rep.

Guests of President Kennedy at White House luncheon for broadcasters (see p. 1): Gene Autry, Roger W. Clipp, John H. DeWitt Jr., Herbert E. Evans, John E. Fetzer, John W. Kluge, Norman Knight, Clair R. McCollough, Donald McGannon, C. Wrede Petersmeyer, Ward L. Quaal, William B. Quarton, J. Leonard Reinsch, Lawrence H. Rogers II, Edgar B. Stern Jr., George B. Storer Sr., Harold C. Stuart, E. R. Vadeboncoeur, Mitchell Wolfson.

Conservative Party of N. Y. State has reversed its position on equal time. It now favors suspension of Sec. 315 of Communications Act for all elections in 1963 & 1964, though it testified year ago against suspension for 1962 elections. Party's experience during last year's campaigns showed broadcasters were "fair" in their treatment of minority parties, wrote Charles E. Rice, vice chmn., to Senate Commerce Subcommittee. More so than newspapers, he said. He agreed with industry that equal-time law makes broadcasters "over-cautious," resulting in less time available for politicasts.

Fuller disclosure of regulatory agency rules & decisions would be required by HR-8046, introduced by Rep. Fascell (D-Fla.). Measure underscores growing congressional concern over regulatory agency power (Vol. 3:32 p2). It provides that all regulations be printed in "Federal Register" before they're effective, that voting of agency members be available for inspection.

TV's first 3-hour news special, on civil rights, will be presented by NBC-TV Sept. 2, 7:30-10:30 p. m. It will deal with history of problem, present all sides of issues, cover international reaction and England's handling similar problem.

A. C. Nielsen Co. and "Esquire" magazine have formed Neodata Services Inc., Boulder, Colo., for subscription fulfillment through electronic data processing. Facilities were formerly owned by "Esquire," serviced about 20 magazine clients.

Series of restrictions on networks is again proposed by FCC's Office of Network Study in 75-page memo for Sept. 18 Commission agenda. It's much same as proposal submitted about year ago (Vol. 2:50 p2), suggesting rule prohibiting networks from program syndication and from ownership of more than 50% of prime-time entertainment programs. When first submitted, we suggested that some proposals might have a bit more chance with more New Frontier commissioners. We think that still holds, and there are more such commissioners.

"Biggest thing since the Hiss program," according to one FCC staff member, is reaction to FCC's statement on "fairness doctrine" (Vol. 3:30 p3). Rising number of vitriolic letters, primarily from extreme right wing, accuse Commission of saying broadcasters must give free time to communists, that FCC is "anti-religous," "anti-American," "against states' rights," wants "govt. control of stations," etc. Flow of mail jumped sharply after test ban treaty was negotiated.

FCC's official TV financial report for 1962 is expected in Sept., according to H. H. Goldin, Broadcast Bureau asst. chief. He said there's every indication that NAB's figures, showing excellent improvement over 1961 (Vol. 3:28 p4), will be substantiated. AM-FM report is expected at year's end. New reporting form (No. 324) requires tabulation of payments to owners & their "close" relatives, will give more accurate picture of performance, according to Goldin.

HEW has received 7 new applications for ETV construction grants, making total of 24, for $3,971,692: School District of Kansas City, $102,000 to expand Ch. 19; Florida Central East Coast ETV Inc., $232,179 to activate Orlando Ch. 24; Bowling Green State U., $96,-898 to activate Ch. 70; Oregon State Board of Higher Education, $208,258 to expand Corvallis Ch. 7, also $106,292 to expand Portland Ch. 10; U. of South Dakota, $14,351 to improve Vermillion Ch. 2; Board of Education of Ogden, Utah, $56,296, to improve Ch. 9.

North Carolina ETV bill, passed by Assembly, gives U. of North Carolina (Ch. 4 WUNC) $1,250,000 for construction of additional ETV transmitters & microwave links, plus $250,000 for operation 1963-1965. Studios are at Chapel Hill; N. C. State College, Raleigh; Woman's College, Greensboro.

TV Cable of Austin Inc. reports 100 miles of CATV cable strung, plans Sept. start of service in the Tex. city. Pres. John Campbell has named as gen. mgr., W. R. Lastinger, recently mgr. of Carlsbad, N. M. system.

Pay-TV would be boon to uhf, according to Teleglobe system developer Sol Sagall. Writing in "Telefilm" magazine, he also urges that FCC change its rules to allow test of each pay-TV system in more than one market.

Time Inc. made grant to ETV WNDT N. Y. for live coverage of 2-week opening sessions of U.N. General Assembly.

Five-station ETV network in Pennsylvania has moved step closer. Bill providing $970,000 for project was signed by Gov. Scranton.

TV Affiliates Corp. will hold West Coast programming conference Aug. 26-27 in San Francisco, for exchange of ideas among subscriber program dirs.

Personals

Elmer W. Lower, ex-NBC News vp & gen. mgr., appointed ABC pres. of news, special events & public affairs, succeeding James Hagerty who shifted to corporate relations vp for parent AB-PT.

NBC Chmn. Sarnoff addresses Boy Scouts of America National Training Conference Aug. 29-Sept. 4 at U. of Ill.

Peter Reinheimer, ex-ABC-TV eastern sales mgr., appointed Screen Gems national sales mgr... **Dean Behrend**, NBC-TV client presentations admin., sales planning dept., promoted to sales proposals mgr., succeeding **Ronald J. Pollock**, resigned.

John R. Haggan promoted to gen. supervisor of public affairs, CBC, succeeding **Bernard Trotter**, named exec. asst. to Queen's U. principal.

Ben Strouse, radio WWDC Washington pres., named area chmn., Radio Free Europe Fund... **Marvin L. Shapiro**, eastern sales mgr., rep TvAR, elected vp.

Robert Edmonds, business rep, Screen Directors International Guild, promoted to exec. secy... **Donn E. Winther**, ex-WBZ-TV Boston asst. sales mgr., appointed advertising & promotion mgr., radio WABC N. Y.

Wells Bruen, ex-Official Films, named sales mgr., rep Roger O'Connor's new Dallas office in Reliance Life Bldg. (phone: 214-748-0437).

Leo Derrick appointed promotion & public relations dir., WGHP-TV Greensboro-High Point; **Nat Tucker**, ex-Jefferson Standard, named program & production mgr... **Robert A. Dettman**, chief engineer, & **John Grandy**, sales mgr., elected KDAL-TV Duluth vp's.

Marshall Keeling promoted to TV sales mgr., **John Murphy** to radio sales mgr. in Chicago office of Adertising Time Sales... **Nord Whited** promoted to KTTV Los Angeles program dir.

Law firms of Steadman & Leonard and Hennessey & McDonald, plus Howard J. Schellenberg Jr., form Steadman, Leonard & Hennessey, 1730 K St. NW, Washington 6 (phone 333-8000). Partners are: Charles W. Steadman, Philip J. Hennessey Jr., George Stephen Leonard & Schellenberg. Also associated: Joseph D. Murphy & Philip J. Hennessey III.

First RCA's TFR-1 unit for recording 16mm film from picture tube, with "consistently higher results than are possible with current kinescope equipment," was sent to Japan's NHK network, which has ordered 6. They'll be used for 1964 Olympic coverage. First delivery in U. S. will be to Cathedral of Tomorrow, Akron church.

Possible precursor of live TV interchanges between Alaska and rest of continental U. S. is newly opened microwave link connecting Vancouver, Canada with Annette Island, Alaska. Two large hops—of 154 & 190 miles—are made by use of tropospheric scatter. Built by 2 GT&E subsidiaries, $5-million system will provide 240 telephone channels, is not equipped for TV.

CBS-TV orders 264 monitors from Conrac, for new building now under construction.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington, D.C. 20006
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

Membership increase of 10% in past 6 months, capped by signing of 3 Hearst radio stations, announced by RAB Pres. Ed Bunker at Oklahoma Bcstrs. Assn. meeting. He attributed jump to support for bureau's proposed methodology study. "The industry has been voting with its dollars for better radio research," he said. Progress on compilation of dollar figures spent in radio by advertisers, in cooperation with Station Representatives Assn., was also reported by Bunker. He said pilot project in N. Y. has received 100% cooperation from stations in reporting billing figures.

June network TV billings jumped 5.1% over last year, from $63,722,400 to $67,003,000, TvB reports. Billings for Jan.-June were up 6%, from $387,772,600 to $411,-165,900. Daytime billings for first 6 months increased 14%, from $120,780,300 to $137,738,500. Jan.-June volume for each network: ABC-TV, $109,175,100, up 8.4% from $100,690,300; CBS-TV, $157,909,100, up 5.7% from $149,443,600; NBC-TV, $144,081,700, up 4.7% from $137,638,700.

Prediction that 1963 ad volume will reach $12.967 billion, 5% above last year's $12.380 billion, is made by "Printers' Ink". It sees spot & network TV combined climbing 11% to $1.735 billion from $1.567 billion. Spot & network radio, magazine says, will increase 3% to $269 million from $261.4 million.

Franchise for new medium—ads on back of all Chicago Transit Authority transfers—has been granted WGN. Base rate is $600 a day with cost-per-thousand estimated between 40 & 78 cents. New Chicago Transfer Advertising will be co-managed by Charles E. Gates, radio WGN station mgr., & Ben H. Berentson, WGN-TV station mgr.

One of most elaborate single-station promotions for fall schedule was that of CKLW-TV Detroit-Windsor last week, drawing some 1,100 agencymen, et al., and including 4-hour boat ride.

Brazil's Televisao Excelsior orders Marconi 3-in. image orthicon color channel & two 21-in. color monitors. Manufacturer says it's first color channel it has sold outside UK; equipment is modified for U. S. color standards.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

TRANSISTORS TAKE OVER IN UHF TUNERS: Most TV sets sold after mid-1964 will be transistorized—at least to extent of their uhf tuners. But if uhf tuner manufacturers are happy over prospect of transistors which are competitive with tubes, they're somewhat disturbed over present state of their business. With one exception, no set manufacturer has jumped gun on all-channel law, and—though all-channel set production is increasing—so far it's below expectations of many in industry.

By next May, everything will be all-channel, of course. And tuner makers are ready for the rush. Most of them—including F. W. Sickles Div. of General Instrument, Standard Kollsman & Oak Mfg., as well as GE (which makes its own tuners)—will cast in their lot with transistor oscillator, as opposed to tube-type.

As they summarize them, transistor's advantages are these: (1) Compactness. (2) Low power, consequently no UL problems. (3) Reliability; even though uhf oscillator tubes are now extremely reliable, there's still stigma associated with tubes because of track record in uhf's early days. (4) Less drift. (5) Far lower oscillator radiation; transistors can meet FCC's limit of 500 microvolts (now temporarily suspended, but scheduled to be re-imposed Jan. 1).

Sparking shift to transistor is promise of price decreases to point where semiconductor is competitive with tube for uhf oscillator. Transistor being used now is Fairchild silicon unit, but both Motorola & Texas Instruments, possibly others, are expected to get into act with competitive silicon transistors for uhf oscillator use.

All tuner makers are working on mechanical aids to make uhf tuning as simple as vhf. Although pushbutton system seems to be favored currently, 3 major tuner manufacturers agree that there will probably be little demand for this type of unit—perhaps too little to build it at all—through 1964.

F. W. Sickles Vp-Gen. Mgr. Edgar Messing summed up reasons when he said set manufacturers "want to meet the requirements of the law first, without making it too hard to sell sets" because of extra cost involved in pushbutton or other easy-tune devices.

Some simplification has already been accomplished in regular continuous uhf tuning. Most tuners now have 2-speed drive—fast for locating station, slow for fine tuning.

All-channel tuning will add about $20 to retail price of set, no matter how it's disguised, at least through 1964. That seems to be unanimous opinion of set & tuner manufacturers. There have already been some price reductions on uhf tuners—and more will probably come with stepped-up production—but not enough to cut retail differential substantially. Current tuner prices run from slightly above $6 for direct-drive units to above $7-8 for some 2-speed tuners. Then there's added cost to set manufacturer of brackets, antenna terminals, etc.

Another factor which may increase price differential further, in opinion of some TV set makers, is FCC's recent decision to permit uhf stations to use aural power as low as 10% of visual power—instead of 50% heretofore required. Some manufacturers argue ruling puts more burden on receiver maker for increased sensitivity of sound channel, thereby increasing costs. Commission recently turned down petitions by Zenith & Warwick for reconsideration of ruling (Vol. 3:31 p10).

What is the proportion of uhf tuners to TV sets in current market? EIA figures don't tell entire story, since many uhf tuners aren't installed in factory, but shipped to distributors or dealers in form of conversion kits to change sets in inventory from vhf to all-channel. Sickles' Edgar Messing estimates uhf tuners now constitute about 25-30% of set production. Oak tuner Product Mgr. Paul A. Wheaton concurs with this estimate, but Standard Kollsman Engineering Vp Fred Edwards thinks this figure somewhat high.

Although business is picking up, it's slower than expected—and tuner makers are ready for big rush any time it develops. However, they're beginning to despair of that rush developing very long

before the law requires. So far only major TV brand anticipating new law by going all-channel throughout most of its line is Sears' Silvertone (Vol. 3:26 p7). Today's price market now appears to preclude this type of action by majority of industry.

Set makers are watching competitors closely, however. Standard Kollsman's Fred Edwards described current atmosphere: "Everybody's afraid somebody will jump the gun with a big advertising splurge. Nobody wants to do it. Yet everybody's preparing to change over to all-channel at a moment's notice, but they won't do it until they're required to—either by competition or by law."

PHONO SALES UP SHARPLY AT MIDYEAR: Distributor-to-dealer & factory sales of phonographs got strong June shot-in-the-arm and widened appreciably the cumulative lead over 1962's Jan.-June sales pace. EIA official figures show distributor phono sales in June jumped more than 40,500 units ahead of June 1962, pushed year-to-date volume nearly 330,000 units ahead. Factory sales rose more than 71,600 units in June, and total half-year volume closed out with approximate 327,000 lead over year earlier.

First-half distributor sales totaled 1,759,470 phonographs—comfortably ahead of 1,429,687 in 1962's first half. Portables & table models closed midyear outselling consoles by nearly 2-to-1, and both categories were markedly ahead of year earlier. Portable-table category, however, showed greater gain—to 1,122,725 units from 888,408, compared with consoles' improvement to 636,745 from 541,279.

June distributor sales rose to 315,043 from June-1962's 274,526. Portables-tables a year ago outsold consoles by nearly 3-to-1: 203,670 vs. 70,856. This June, consoles narrowed edge to slightly more than 2-to-1: 215,036 vs. 100,007. June's 215,036 portables & tables scored 1963's monthly high for that category. June console sales were only 4th best of 6 months.

Here are EIA's official first-half distributor-to-dealer sales:

PHONO DISTRIBUTOR SALES

	1963			1962		
Month	Port. & Table	Console	Total	Port. & Table	Console	Total
January	204,073	112,452	316,525	115,998	103,730	219,728
February	192,858	137,114	329,792	130,104	109,316	239,420
March	211,745	134,407	346,152	173,056	126,201	299,257
April	169,478	77,252	246,730	129,175	72,017	201,192
May	129,535	75,513	205,208	136,405	59,159	195,564
June	215,036	100,007	315,043	203,670	70,856	274,526
TOTAL	**1,122,725**	**636,745**	**1,759,470**	**888,408**	**541,279**	**1,429,687**

Factory phono sales at midyear pushed ahead to 1,894,298 units from 1,567,385 a year earlier. Breakdown includes 1,191,326 portables & tables and 702,972 consoles—vs. 935,467 & 631,918 respectively in Jan.-June 1962.

June factory sales totaled 455,199 phonos vs. June-1962's 383,537. June was portable-&-table category's top 1963 month by far—with 305,946 units, nearly 100,000 ahead of previous high of 205,955 set in Jan., and more than 58,000 ahead of June-1962's 247,932. Console sales improved to 149,253 from 135,605 in year-ago month, and came within 700 units of equaling 1963's monthly high of 149,923 posted in Feb. Here are EIA's official first-half factory sales:

PHONO FACTORY SALES

	1963			1962		
Month	Port. & Table	Console	Total	Port. & Table	Console	Total
January	205,955	135,741	341,696	137,090	122,469	259,559
February	190,352	149,923	340,275	130,495	124,917	255,412
March	200,571	129,142	329,713	166,408	132,075	298,483
April	165,016	76,190	241,206	120,793	62,309	183,102
May	123,486	62,723	186,209	132,749	54,543	187,292
June	305,946	149,253	455,199	247,932	135,605	383,537
TOTAL	**1,191,326**	**702,972**	**1,894,298**	**935,467**	**631,918**	**1,567,385**

COMPONENTS PROFITS DWINDLE IN FIRST HALF: Slow first-quarter start by composite components & tube manufacturers (Vol. 3:28 p8) slowed even further in April-June period and produced less than cheery sales & earnings picture for first half.

Combined Jan.-June sales of 21 companies dropped $54.7 million to $1.046 billion from $1.101 billion a year earlier despite fact that more than half—12 of 21 firms—showed increased sales.

Profit picture was even more downbeat. Earnings of 24 manufacturers dipped aggregate $5.1 million to $29.5 million from $34.6 million in 1962's first half. The 1963 figure is after deducting combined $513,980 losses of 3 companies—General Bronze ($165,063), Oxford Electric ($52,917), Sangamo Electric ($296,000). Year-earlier figure is after deducting Sangamo's $494,000 loss.

Although 24 manufacturers were only $5.1 million off 1962's first-half profit pace, significant factor is number of companies involved in earnings lag. Of 24 companies analyzed, 19 were down in profits from year earlier—and of remaining 5, one, Sangamo, wound up half still in red. It improved position, however, by cutting year-ago loss of $494,000 to $296,000. Although some companies report signs of price stabilization & even upswing, it's obvious that imports & fierce domestic competition are still taking toll.

Sales gains were more impressive. Among big jumps: Oak Mfg.—to $20 million from $15.8 million. Texas Instruments—$128.3 million from $119.7 million. Thompson Ramo Wooldridge—record $240.1 million from $231.6 million. P. R. Mallory—$50.1 million from $49.1 million. General Bronze—$8.8 million from $8.1 million. Sangamo—$25.9 million from $24.4 million.

Here's 1963-vs.-1962 first-half performance of representative components & tube manufacturers:

	Sales		Earnings	
	1963	1962	1963	1962
Aerovox	—	—	$ 64,122	$ 174,067
Amphenol-Borg	$ 41,963,661	$ 43,334,571	1,124,693	1,015,273
Clevite	53,083,801	53,555,494	3,364,092	3,879,108
CTS Corp.	14,587,506	13,673,321	1,090,807	1,034,820
Dynamics Corp. of America	37,659,874	41,825,049	2,010,292	2,100,256
Eitel-McCullough	—	—	225,000	262,000
Erie Resistor	14,466,000	14,301,000	270,000	601,000
General Bronze	8,825,045	8,071,763	(165,063)	13,695
Globe-Union	31,557,456	31,881,107	609,824	1,236,990
Indiana General	—	—	740,370	1,188,052
International Resistance	14,407,872	14,286,212	743,393	1,165,873
Littelfuse	3,137,088	3,354,505	145,594	182,650
P. R. Mallory	50,070,047	49,078,494	1,946,582	2,050,379
Muter	7,910,472	8,109,340	101,084	142,977
National Union Electric	18,560,975	18,478,849	526,411	545,801
Oak Mfg	19,999,283	15,769,956	505,491	620,568
Oxford Electric	5,062,968	4,746,320	(52,917)	54,111
Raytheon	254,825,000	312,759,000	3,659,000	5,336,000
Sangamo Electric	25,869,000	24,379,000	(296,000)	(494,000)
Sonotone	11,064,434	10,527,606	105,412	150,895
Standard Kollsman	36,172,429	46,157,144	280,764	1,420,497
Texas Instruments	128,250,000	119,736,000	5,256,000	4,784,000
Thompson Ramo Wooldridge	240,081,345	231,589,854	7,066,956	6,414,666
Tung-Sol	28,921,715	35,567,514	137,609	713,635
TOTALS	**$1,046,475,971**	**$1,101,182,099**	**$29,459,514**	**$34,593,313**

TV-RADIO PRODUCTION: EIA statistics for week ended Aug. 16 (33rd week of 1963):

	Aug. 10-16	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV	150,858	127,726	107,160	4,244,164	3,975,821
Total radio	349,027	272,083	349,425	10,424,000	11,164,777
Auto radio	140,352	109,013	120,123	4,419,621	3,911,890

TUBE SALES LAG AT HALF: Factory sales of both TV picture & receiving tubes declined in June from year-ago month & closed first half trailing Jan. -June 1962 in both unit & dollar volume, EIA reported last week.

TV picture tube totals for first half showed sales of 4,469,169 units, down some 87,000 from 4,556,143 in 1962's first half. Dollar value dropped even more sharply—by $3.7 million to $83.6 million from $87.3 million. June sales showed unit decline to 707,541 from 740,788, dollar decline to $13.5 million from $14.3 million.

Receiving tube sales at end of first half were off year-ago pace by 17.3 million units & $16.6 million. Unit sales tumbled to 166,187,000 from 183,503,000; dollar value decreased to $137.7 million from $154.3 million at close of 1962's first 6 months. June unit sales dropped behind June-1962's 29,649,000 volume to 29,-332,000, and dollar value slipped to $23.8 million from $24.6 million. Here are EIA's official first-half figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	890,246	$16,846,046	27,025,000	$ 22,524,000
February	639,392	11,990,595	26,382,000	22,354,000
March	760,524	14,223,503	30,285,000	25,643,000
April	771,073	14,197,385	26,167,000	21,521,000
May	703,393	12,888,058	26,662,000	21,600,000
June	707,541	13,462,906	29,332,000	23,764,000
Jan.-June 1963.	4,469,169	$83,608,494	166,187,000	$137,708,000
Jan.-June 1962.	4,556,143	$87,332,694	183,503,000	$154,340,000

Pilot Radio has debuted free floor plan for franchised dealers which provides 4-month selling period with no capital investment. During 4-month period, noted Vp-Gen. Mgr. Roland J. Kalb, dealers pay only invoice price for Pilot products sold, without interest or other charges. Two 30-day extensions at low interest rates can be secured if needed. Pilot also introduced new warranty program for its stereo hi-fi consoles & portable stereo phonographs. Deluxe solid-state consoles & portables will carry 2-year parts & one-year service guarantees. All other consoles: one-year parts & 90-day service warranties.

Dominion Electrohome expects to increase U. S. dealerships to 500 in 50 states from present 415 by year's end, according to Howard W. Main, newly appointed pres. of American subsidiary International Electrohome (Vol. 3:30 p11). Electrohome is now producing color TVs for U. S. market, anticipates 1963 sales of 800-1,000 sets, 3,000-4,000 next year.

AT&T was top spender in 1962 for new buildings & remodeling with $193 million outlay, reported "Architectural Forum" magazine. Subsidiary Western Electric placed 3rd with $41 million investment, behind 2nd-place General Motors with $97 million. AT&T this year plans to increase new construction outlay by 22%.

Robert Electronics will test market its new 1-7/8 in.-per-sec. stereo tape recorder in St. Louis, opens "extensive consumer promotion" on Crossfield 770 model Sept. 15.

Bill to license Wisconsin TV technicians was killed in state legislature. Measure provided state board exams for servicemen, proposed standards for brand promotion & advertising repair prices.

1964 TELEVISION FACTBOOK ADVERTISING

The 1964 Edition of **Television Factbook** (#34) is now in preparation and advertising space reservations are being accepted. The **Factbook**, with a circulation sharply increased to 10,000, is used daily by executives in all facets of the TV industry—the people who make the decisions and buy time, equipment, services. Thus it becomes the most effective advertising medium available to those selling to the television industry. The **Factbook**, including its exclusive coverage maps and viewing data, marketing information and directories, will be fully up-dated throughout. Furthermore, it will contain the most comprehensive International Television Directory yet published. To reserve your advertising space in this 1200-page-plus compendium, call, write or wire: **Television Factbook**, 2025 Eye St. N. W., Washington 6, D. C.; Area Code 202-965-1985; TWX: 202-965-0979. Many choice positions are still available. Copy deadline is October 15th.

Philco & management team headed by Pres. Charles E. Beck got Aug. 17 "Business Week" profile which emphasized, in part: "As it matures under Ford's tutelage, the new Philco is turning out to be quite different from the old. For one thing, the management & divisional structure have been considerably altered. The company has dropped out of the commercial computer business & beefed up its defense electronics work. It has shown new aggressiveness in the consumer goods business. Sales, which stood at $420 million in 1961, slipped in 1962 as Ford took hold. But now, although it is Ford's policy not to disclose figures for its subsidiaries, 42-year-old Beck says: 'Business is up, across the board. Substantially so.'" Magazine notes "one unexpected bonus" of Ford-Philco merger: "Philco now can turn over some of its styling problems to Ford designers. The things they come up with may look more like Thunderbirds than TV sets, but as William Balderston Jr., product planning mgr. for consumer products, puts it, this 'has tremendous advantages in terms of fresh ideas.'"

AID is supplying 10,000 radios to Viet Nam for distribution to village leaders. It's part of govt. plan to strengthen communications to rural organizations. Radios were bought from Maxwell Electronics, Garland, Tex., for $140,000. Plans call for another 40,000 sets to be sold through commercial sources in Viet Nam. AID last month authorized $39,300 letter of credit for purchase of 3,852 one-band transistor radio kits from RCA. Viet Nam govt. has 7 stations; radios can't receive communist Radio Hanoi.

Texas Instruments will shortly introduce process tools & test equipment for users of integrated semiconductor circuits. Claiming there's "very little commercially available" of this type of equipment, TI will market carriers to handle & store networks, tools to assemble networks, a circuit board, $3,000 high-speed electric welder, $16,500 programmed tester.

Clevite is expanding its semiconductor components activities, has formed in Waltham, Mass. a Semiconductor Div. which embraces former Clevite Transistor operation.

Two new Bureau of Standards publications: "Tabulation of Data on Receiving Tubes" & "Tabulation of Published Data on Soviet Electron Devices."

Trade Personals

Thomas R. Hays named sales mgr. of newly formed RCA Commercial Receiving Tube & Semiconductor Div.

Joseph A. Haimes appointed distributor sales mgr., RCA Electronic Components & Devices. Other appointments in RCA Distributor Products organization: **Joseph J. Kearney,** receiving & picture tube merchandising mgr.; **D. M. (Max) Branigan,** industrial tube & semiconductor merchandising mgr.; **Kenneth B. Shaffer,** distribution control & customer relations mgr.; **R. J. Corbett,** administrative services mgr. **Robert B. Sampson,** mkt. development mgr., also assumes new product planning responsibility.

Milton J. Shapp, Jerrold chmn., awarded annual Distinguished Service Award of Frontiers International, nation's only Negro service club, for "distinguished service in the improvement of inter-racial & inter-group relations"... **Lawrence G. Haggerty,** Warwick Electronics pres., elected a dir. of Jefferson Electric, Bellwood, Ill. electrical products producer.

Gerald J. Werner, Motorola traffic mgr., appointed 1963-64 chmn., EIA Traffic Committee.

John C. Lobb, formerly H. M. Byllesby Co. pres., appointed ITT Industrial-North America group exec., responsible for ITT's Industrial Products Div. & ITT General Controls.

Fred Kremer Jr. named IIT Research Institute business operations vp... **Donald J. Kasun** appointed Westinghouse cryogenic systems dept. engineering mgr.

Dr. Wayne B. Nottingham appointed Electronics Corp. of America research vp... **Frank J. Kiernan,** formerly General Precision industrial planning dir., named vp of GPE subsidiary Graflex Inc.

Fenton W. Guild appointed Sylvania operations analysis mgr., succeeding **Richard J. Price,** recently appointed Semiconductor Div. controller. **Eugene F. Guerin** succeeds Guild as Microwave Device Div. controller.

Saul Fast appointed National Co. engineering vp; **Samuel J. Davy** named vp & asst. to pres.

Dimitri R. Stein, ex-Columbia Technical Corp. vp & dir., forms Cable Consultants Corp., 7 Woodland Ave., Larchmont, N. Y.

UK's 1962 electronics exports to U. S. jumped 30% over 1961 to $29.1 million, reported Business & Defense Services Administration's Electronics Div. Record-playing mechanisms accounted for more than 37% of total value. Mechanisms with record changers increased to 1,172,300 units valued at $10,861,000 from 1961's 1,120,500 at $10,780,000. Mechanisms without record changers decreased—to 3,100 at $25,000 from 11,400 at $105,000. British radios imported climbed sharply to 6,700 units at $191,000 from 2,800 at $81,000. UK exports of electronic phonographs & record players to U. S. were down—to 1,700 at $37,000 from 1961's 6,800 at $116,000.

White House-to-Kremlin communications hot line project has awarded equipment contracts to RCA for radio, ITT for cable.

MERGERS & ACQUISITIONS: Warwick Electronics & Pacific Mercury Electronics will merge if shareholders of both companies & Cal. Corp. Commission approve. Warwick would be surviving company, and terms call for Pacific Mercury shareholders to get 1.1 share of Warwick common for each of 498,500 outstanding Class A common shares. Pacific Mercury also has 200,000 Class B shares, owned by Sears Roebuck which also holds major interest in Warwick. Class B shares would be exchanged at rate of one for each 1.065 Warwick shares.

Warwick Pres. Lawrence G. Haggerty is slated to become pres. & chief exec. officer of amalgamated firm. Pacific Mercury Pres. Joe Benaron would be Warwick senior vp, a dir., head of Pacific Mercury Div. & pres. of Pacific Mercury subsidiary Thomas Organ, which would be included in merger. Other merger news last week:

Electronic Communications has purchased for $1 million 75% of voting stock of **Benson Mfg.,** Kansas City, Mo. metal fabricator. Stock was purchased from Benson family, and Electronic Communications now will tender similar offer to other stockholders for remaining 25% of stock.

Erie Resistor will merge manufacturing operations of its **Fryling Electric Products** subsidiary with its **Technical Ceramics Div.**

SECURITIES NOTES: Sprague Electric has registered with SEC $15 million of sinking fund debentures, due 1988, slated for public offering later this month via underwriting group headed by First Boston Corp. & F.S. Moseley & Co. Proceeds will be used to retire existing debt & to increase working capital. . . **Westinghouse** is requesting tenders on maximum $15 million of its outstanding $285 million of 3 1/2%, 30-year debentures due 1981. Purchase price will not exceed principal & interest accrued to Oct. 1, 1963. Chemical Bank N. Y. Trust Co. will receive debentures for Westinghouse until close of business Sept. 16. . . **Tektronix,** Beaverton, Ore. maker of cathode ray oscilloscopes, has registered with SEC 540,000 common shares to be underwritten by group headed by Lehman Bros. Certain stockholders are offering 440,000 shares of the issue, Tektronix 100,000 shares. In its 1963 fiscal year ended May 25, Tektronix earned $5.8 million on $70.5 million sales.

Reports & comments: Walt Disney Productions, discussion, Walston & Co., 120 Broadway, N. Y. 5; comments, Bache & Co., 36 Wall St., N. Y. 5... **A. C. Nielsen,** review, Carl M. Loeb, Rhoades & Co., 42 Wall St., N. Y. 5... **Arvin Industries,** review, J. R. Williston & Beane, 115 Broadway, N. Y. 6... **AT&T,** discussion, Josephthal & Co., 120 Broadway, N. Y. 5... **Motorola,** analysis, Orvis Brothers, 15 Broad St., N. Y. 5.

Nearly 1/3 of consumers who plan TV purchase in next 12 months will buy color set, according to Home Makers Guild of America survey based on 903 respondents. Of this group, 9.3% plan TV buy, and 29.3% will make it color. Zenith leads brand-preference parade with 25.9% vote, followed by RCA, 22.2%, GE, 12.4%, Philco, 11.1%, Motorola, 7.4%. Only 35.4% have portable set in mind, 34.1% will buy console, 22% table, 7.3% combinations, 1.2% tinyvision.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Bendix	1963—9 mo. to June 30	$630,839,645	$30,582,903	$14,860,841	$2.74	5,423,975
	1962—9 mo. to June 30	599,672,486	34,386,418	15,648,962	2.89	5,423,335
	1963—qtr. to June 30	215,381,050	—	5,588,127	1.05	5,423,975
	1962—qtr. to June 30	212,853,040	—	5,321,848	.98	5,423,335
Clarostat Mfg.	1963—6 mo. to June 30	4,290,254	—	(23,810)	—	484,392
	1962—6 mo. to June 30	5,227,046	—	177,763	.40	484,392
Consolidated Electr. Ind.	1963—6 mo. to June 30	84,772,034	—	2,407,113	.76	3,176,908
	1962—6 mo. to June 30	83,150,374	—	2,353,323	.74	3,172,377
Desilu Productions	1963—13 wks. to July 27	4,877,359	—	84,875	.07	1,233,631
	1962—13 wks. to July 27	3,377,845	—	14,305	.01	1,155,940
EICO Electronic Instrument	1963—9 mo. to June 30	6,036,257	—	73,686	.12	607,143
	1962—9 mo. to June 30	6,853,416	—	210,824	.35	607,143
Esquire Radio & Electronics	1963—6 mo. to June 30	1,825,987	—	29,116	.07	417,650
	1962—6 mo. to June 30	1,800,533	—	28,038	.07	417,650
Hawley Products	1963—6 mo. to June 30	3,926,680	—	154,001	.55	260,000
	1962—6 mo. to June 30	3,767,524	—	227,159	.81	238,450
Meredith Publishing	1963—yr. to June 30	71,200,000	—	2,232,000	1.68	1,331,212
	1962—yr. to June 30	69,313,555	—	2,097,847	1.58	1,323,866
Howard W. Sams	1963—yr. to June 30	14,246,567[3]	1,774,513	945,020[3]	1.75	537,111
	1962—yr. to June 30	13,025,702	1,397,447	860,061	1.59	535,718
Terminal-Hudson Electronics	1963—6 mo. to June 30	6,915,983	—	82,473	.08	1,206,804
	1962—6 mo. to June 30	7,064,323	—	135,587	.13	1,206,804
Thompson-Starrett (Delmonico)	1963—6 mo. to June 30	18,722,580	—	308.531	.10[1]	2,817,646
	1962—6 mo. to June 30	12,412,445	—	339,792[2]	.11[1]	2,817,646
20th Century-Fox	1963—6 mo. to June 30	49,194,240	—	4,760,593	1.87	2,545,845
	1962—6 mo. to June 30	51,315,528	—	(12,456,457)	—	2,545,845
	1963—qtr. to June 30	25,233,062	—	2,468,457	.97	—
	1962—qtr. to June 30	18,648,000	—	(11,942,870)	—	—

Notes: [1]After preferred dividends. [2]No income taxes required because of prior years' losses. [3]Record.

Reeves Bcstg. & Development, which closed first half with profit jump to $100,900 from $7,600 in Jan.-June 1962 (Vol. 3:31 p12), obtained profitable operations from all divisions, Pres. J. Drayton Hastie noted in mid-year report to stockholders. Earnings from Broadcast Div., he said, "increased over 75%; the Studio Div. produced a substantial profit in place of a previous deficit." Working capital at end of half increased to $466,600 from $137,500 a year earlier, long-term debt dipped to $3,474,700 from $3,617,300.

Raytheon has filed patent infringement suits against Thermowave Corp. & subsidiary Thermowave Mfg., charging violation of 6 Raytheon patents for microwave cooking devices. It seeks injunction & damages. Raytheon has licensed various companies to manufacture microwave cooking devices under its patents. Licensed are Tappan, American Monarch, Rudd-Melikian, Di-Arco and Litton Industries. Litton recently announced formation of new division to make & market microwave cooking & heating ovens for commercial use (Vol. 3:33 p8).

Hewlett-Packard has received Japanese govt. approval to form jointly owned electronics firm with Tokyo-based Yokogawa Electric Works. Latter will own 51% of stock of new firm, Hewlett-Packard 49%. New company, slated to begin operations Oct. 1, will have authorized capital of $5.6 million, initial paid-in capital of $1.4 million.

Audio Devices has purchased assets of Sound Corp. of America, will transfer facilities of Worcester, Mass. maker of endless-loop cartridges, transports & playback units to its Stamford, Conn. magnetic tape plant.

Granco Products' 10% Chapter 11 plan (Vol. 3:32 p12) has been approved by majority of creditors, & Referee Sherman D. Warner has scheduled hearing on confirmation for 2 p.m., Sept. 12, in Jamaica, N. Y.

Avnet Electronics has purchased for cash "in excess of $1 million" California-based Imperial Records, will incorporate it with subsidiary Liberty Records.

WEEKLY **Television Digest**

with

Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

SEPTEMBER 2, 1963 NEW SERIES VOL. 3, No. 35

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

UHF'S UNSOLVED DILEMMA—programming—attracting increasing attention from FCC & industry. Among proposals: Network-sharing, ban on film exclusivity clauses, increasing multiple ownership, CATV restrictions (p. 1).

LOEVINGER'S 'TOUGH' ROLE on FCC verified by maiden speech outlining 3-point program for broadcast regulation: stricter multiple-ownership & duopoly rules; requirement that stations devote as much time to news as commercials; 'experimentation & innovation' (p. 2).

RADIO RATING STUDY being prepared by ARB, underwritten by major station group, using personal diary method; Harris staff proposal to use rating ranges instead of single figure stirs controversy (p. 3).

BAN ON COMMERCIAL LIMITS proposed by Rep. Rogers in bill to prohibit FCC from ruling on length or frequency of messages, citing threat of 'financial ruin;' more state associations to march on Washington (p. 4).

UPCOMING STATIONS: Reports on plans of commercial grantees in Walker, Minn. and Virgin Islands, ETV outlets in Mobile, Ala. and Bowling Green, O. (p. 5).

Consumer Electronics

ADMIRAL TINYVISION now being shipped; new 11-in. set, at $99.95 & $109.95, weighs 14 1/2 lb., is scaled-down version of larger sets (p. 7).

ALL-CHANNEL ACTION to ease transition explored; excise tax exemption chances seen improved; Lee visits major set makers, discusses ban on shipments within state; consumer information materials on way (p. 7).

CANADIAN ELECTRONICS industry booming, but beset with problems; 100 firms employ 18,000 with annual output of $500 million; saturation & import troubles (p. 8).

DISCOUNT INDUSTRY EXPANDS, midyear census showing number of stores rose 37% in year, area jumped 42%; 162 new stores projected for 2nd half (p. 9).

MANUFACTURER SHIPMENTS of consumer electronics last year totaled nearly $1.7 billion, according to new Census figures, which traditionally are lower than EIA estimates (p. 10).

MINIMUM TV EXPORT PRICES due for ratification by Japan govt.; new figures show Japan exported $159 million in electronic equipment to U.S. last year (p. 11).

UHF'S UNSOLVED DILEMMA—PROGRAMMING: While most attention in uhf expansion drive has been focused on receiver build-up and technical problems, there's increasing recognition that real key to success of uhf—or any TV—is availability of popular programming.

Programming problem was emphasized in last few weeks by difficulties experienced by KIIX (Ch. 22) in Los Angeles market, where Spanish-language KMEX-TV (Ch. 34) is being hailed success (Vol. 3:32 p2). Many ideas to help give uhf stations better crack at existing programming, and to open up new program sources, are being tossed around—some of them involving fairly substantial changes in current TV business practices.

Recent meeting of little-publicized program subcommittee of industry-govt. Committee for Full Development of All-Channel Broadcasting (CAB), headed by Lawrence Turet (WUHF-TV Milwaukee) discussed some possible remedies. Among those attending top-drawer session were McCann-Erickson's Pat Weaver and representatives of Four Star Productions, ABC Films, Show Corp. of America, TV Affiliates Corp., NET. Here are some proposals discussed by that group and mentioned by others, including FCC Comr. Lee, chmn. of CAB:

Share network programming. Proposals have been made for FCC rules, or exercise of existing Commission authority, to (1) require networks to make available to non-affiliates shows which are not cleared by regular affiliate in area, (2) bar station affiliation with more than one network when there are non-affiliated stations in same area, (3) make network affiliation available to local stations in areas now fed network programs from neighboring cities.

Break up film "exclusivity." There's some sentiment for looking into legality or desirability of "territorial exclusivity" contracts made with stations by program syndicators. In discussing this proposed remedy, Comr. Lee told us that proponents of plan argue that, since wire services' territorial exclusivity pacts have been banned, there may be case for similar action in program syndication field.

Increase multiple ownership. Lee continues to favor modification of group ownership rules to permit single entity to own up to 5 v's & 5 u's. "It may help solve the program problem by attracting big money to uhf," he said, but conceded "there's a case against this; if the large broadcasters have not utilized their right to own 2 u's, they may not be interested in 5, either. But I believe that if the opportunity is big enough, it will attract the big dollar."

Pay-TV possibilities. There seems to be general belief that if pay TV succeeds it will help uhf, since there are vey few areas with a 4th vhf available for subscription programming. However, pay-TV projects to date (both wired and on-air tests) have suffered from same problem as uhf—scarcity of programs. William Putnam, WWLP Springfield, Mass., who heads CAB's pay-TV subcommittee, while agreeing that pay TV could provide additional program source, is anxious to avoid impression that uhf's future is tied exclusively to subscription TV.

Attitudes toward CATV. Uhf'ers are extremely concerned about competition from CATV systems. CAB has asked FCC to forbid CATV systems within Grade A contours from carrying programs of distant vhf stations if they're also available on local uhf outlets.

Raising financial requirements. To prevent stations from going on air without sufficient financing to pay for adequate programming and withstand early losses, there's been much discussion of increasing financial requirements for uhf station applicants. As Comr. Lee expressed it, an applicant in top 25-30 markets should be prepared for heavy losses first 2 years, anticipate turning profit corner in 3rd. (For Lee's views on manufacturer-dealer problems, see p. 7).

CAB's ratings subcommittee, headed by Adam Young, is looking to larger samples in mixed vhf-uhf areas to reflect uhf viewing, as one possible source of helping to call uhf stations' potential to attention of advertisers & agencies.

"Agencies are interested in one thing," says Managing Dir. Lawrence Webb of Station Representatives Assn., himself a onetime uhf station manager—"show them an audience." Problem was summed up by James O'Grady, Adam Young exec. vp and vice chmn. of CAB programming subcommittee: "Uhf broadcasters & salesmen are no longer concerned about technical considerations. It's the programming that has to be developed."

LOEVINGER FORESHADOWS 'TOUGH' ROLE: FCC Comr. Loevinger's maiden speech was one to send chills racing up & down the spines of major broadcast interests. In opinion of many broadcasters it labels him as the man to watch, from standpoint of regulatory toughness.

Address by new commissioner didn't produce same national shockwaves as 1961's earthquake in the vast wasteland, because it was aimed more directly at broadcasters—not general public. But it hit hard at 3 sensitive areas: Multiple ownership, concentration of media control, commercial limitation.

Speaking before convention of Association for Education in Journalism at Lincoln, Neb., Loevinger revealed himself as literate, independent thinker, with original ideas. As well befits former Justice Dept. anti-trust chief, he devoted good part of speech to "monopoly," came out strongly for re-evaluation of multiple ownership, duopoly, and newspaper ownership yardsticks. He also made unique proposal that broadcasters be required to devote at least as much time to news as to commercials.

He made no specific suggestion for change in multiple-ownership requirements. He conceded, in fact, that "there are practical & legal difficulties with divestiture [of] present broadcast holdings," but opposed "any significant increase in the concentration of control of the mass media."

"Mass media," in fact, is key phrase in Loevinger's view of ownership situation. He indicated he favors virtual case-to-case consideration based on media control. as opposed to hard-&-fast limit of number of stations which could be owned. "In considering multiple ownerships," he said, "the Commission should not count by arbitrary categories, but should consider all other interests & affiliations in the communications field. It makes no sense to say that a man with 7 small AM stations cannot

acquire an 8th, although the same station may be acquired by a corporation with 7 TV stations, 7 FM stations and 6 large AM stations plus a string of newspapers. Generally I would consider newspaper ownership or affiliation a substantial negative factor in determining qualification for a broadcast license."

Commission's duopoly rule is "plainly inadequate," he asserted, and proposed it be broadened to preclude common ownership of broadcast & print media in same area. "It is just as undesirable for one person to control the local newspaper & TV or radio station as to control 2 radio stations in the same locality—and for the same reason."

Loevinger said greater diversity of ownership would improve programming in long run, providing greater variety. However, in giving diversity his No. 1 priority, he said: "If we must choose between program quality & diversity, I would choose diversity without hesitation." He proposed uhf band as opportunity to implement his diversity doctrine—in direct conflict with Comr. Lee's proposal that ownership limits be liberalized to permit control of 5 vhf & 5 uhf stations by any single entity (see p. 1).

While taking note of criticisms that TV programming is "banal, boring & bad," he conceded that all surveys show mass of public is satisfied with it, attributed complaints mainly to "critics, intellectuals & the educated elite." He clearly identified himself with this group with statement which certainly wasn't intended to endear him to broadcasters: "I prefer radio to TV and much prefer reading to the intellectual indolence of surrender to any form of broadcasting." He said his aim was not to "ban trash from the air," but to help assure adequate choice of programming for all tastes. "One man's trash is another man's treasure; one man's vast wasteland is another's verdant vineyard."

Where Loevinger did make suggestions on rules touching on programming was in field of public information broadcasting. "The most significant public interest served by broadcasting—and the end that most clearly justifies the spectrum allocations made to it—is the performance of the journalistic function and its contribution to the maintenance of a political democracy and a free society," he said. Then he advanced this novel criterion for determining whether station is meeting its responsibilities:

"Since it is the journalistic function which gives the principal social value to broadcasting, I would measure broadcasting performance principally by the degree to which it performs this function. Specifically, I would require as a minimum that each station devote at least as much broadcasting time to news as it does to commercial advertising." Terming this yardstick "at best a crude measure" he said it has virtue of being "clear & definite" operational criterion. "In effect, it makes each broadcaster pay for the time he takes from the public domain for his own commercial use by devoting an equal amount of time to public service."

Third major proposal by Loevinger was that FCC encourage "enterprise, experimentation & innovation" by broadcasters. He threw specific suggestion into the pot: Broadcasting should end its reliance on AP & UPI, which, he said, basically use "newspaper techniques," and "establish its own independent news resources." Only in this way, he reasoned, could full potential of broadcasting be realized as news medium. (UPI Pres.-Gen. Mgr. Mims Thomason, in statement of rebuttal, pointed out that UPI & AP have devoted many millions of dollars to developing world-wide facilities, that UPI has separate broadcast news dept., that eliminating broadcast activity would weaken existing news agencies and "seriously damage all forms of news communications." AP had no formal comment, but spokesman pointed out that all previous "broadcast-only" news agencies—such as Trans-Radio—had failed.)

Thus, Loevinger's 3-point program—in order of priority: (1) "Maximum diversity & dispersion of station ownership." (2) "Adequate performance of the journalistic function" through time-balance of news & commercials. (3) "Enterprise, experimentation & innovation," including independent "Broadcast News Assn."

ARB READIES RADIO STUDY; OTHER MOVES: ARB will announce signing of major station group to underwrite a radio methodology study. ARB hasn't been in radio since 1952, has been conducting tests using personal diaries in Baltimore & Washington.

Announcement will come just about time NAB's Research Committee will be making recommendation on whether to spend $75,000 to co-finance RAB's radio methodology study—in about 2 weeks. RAB

last week sent NAB detailed 20-page outline of its proposed $200,000 study that would be conducted by Audits & Surveys Co.

ARB has been using 2 samples in testing—single-medium diary for radio & multi-media diary measuring radio, TV, newspapers, magazines. Methodology study financed by station group would use similar sample designs plus 2 validating samples—one for in-home listening, another for out-of-home. Personal diary differs from usual household diary because it's kept by individuals, not family. Sample design itself is made up of people, not households. Back in 1947, James Seiler, now ARB pres., observed that unless radio listening was measured on a personal basis, its research would be lacking.

In another development, those concerned with rating reform have been spending much time evaluating key proposal of Harris Subcommittee staff that ratings be expressed in ranges rather than in single estimates. NAB's Rating Council, basically against it, and Charles Howze, Subcommittee chief counsel, who's for it, have been getting earfuls of opposing viewpoints.

Arguments against proposal (which would be passed on to Subcommittee for its approval and inclusion in published report): (1) Ranges would be accurate only when true probability sample is used; however, no rating firm uses such a sample. It's therefore possible that range could be less accurate than single rating, which in itself is supposed to be an estimate and, consequently, an expression of variance in rating. (2) Ranges would not lessen problem of over-promotion or over-selling, because station or rep could promote high range or range's average.

Another possible danger was pointed up by ARB official. In its early days, company operated only on east coast, had western affiliate called Teleque, which used ranges. Rating official said Teleque often found agencies buying on low side of range and justifying buy to client on high side, making client think he got more for his money.

In favor of proposal are Advertising Research Foundation and Dr. Herbert Arkin of CCNY, Subcommittee consultant. Their view is that it would show user of ratings the range of possible error. "It would dramatize the variance factor," observed Howze.

Reflecting strong stand in favor of ranges is Chris Rashbaum, research dir. of rep Harrington, Righter & Parsons. "Ranges may not add up to more honest research, but they would lead to more honest 'use' of research. It's important to call attention to fact that ratings are estimates. An 8.3 rating is always looked upon as so much better than an 8.2. It could actually be lower. If media research directors did the buying, there'd be no problem. But there's great turnover among timebuyers and it's necessary to put up a flag calling attention to the estimate."

There are also those who see ranges helping lower-rated stations. A 4th-ranked station might be able to show that its high range overlaps low range of 3rd-ranked operation.

On speech circuit, Melvin Goldberg, NAB research vp, addresses closed session of Radio-TV Research Council in N. Y.. He'll review Rating Council progress and outline Subcommittee thinking. Howze will address Advertising Research Foundation's 9th Annual Conference at N. Y.'s Commodore on Oct. 1.

ROGERS BILL BANS COMMERCIAL LIMITS: Battle against FCC's proposal to limit commercials received support from Rep. Rogers (D-Tex.). He introduced bill at week's end to prohibit FCC from setting rules on length or frequency of commercials, by amending Sec. 303 (b) of Communications Act. Rogers has been concerned about FCC overstepping itself (Vol. 3:32 p2), has considered commercial limitations an example. Rogers said commercial rules would have "drastic consequences on economic vitality" of broadcast industry, adding "it should not be the function of govt. to dictate a set of rules [which] could threaten broadcasters with financial ruin."

State assns. continue action against proposal: Okla. Bcstrs. Assn. will call on its Congressional delegation about Sept. 4 in Washington; N. C. Assn. of Bcstrs. will make its calls Sept. 10, headed by Earl Gluck, WSOC-TV Charlotte; Kan. Assn. of Radio Bcstrs. replied to FCC's proposal last week, said it believes people "are much more interested in the services we provide than in the precision accuracy of the clock in complying with a federal edict," stated ad revenue was "fundamental" to American broadcasting.

UPCOMING STATIONS: KNMT (Ch. 12) Walker, Minn. hopes to be on the air in Nov., reports Glenn W. Flint, gen. mgr. of owner KCMT (Ch. 7) Alexandria, Minn., which plans to operate KNMT as a partial satellite. Work on transmitter house near Hackensack, Minn. is scheduled for completion by mid-Sept. A 2-kw RCA transmitter awaits installation there. Base hour will be $150. Avery-Knodel will be rep.

WBGU-TV (Ch. 70 ETV) Bowling Green, O. plans Jan. 2 programming after testing since late in Nov., according to Dr. Duane E. Tucker, gen. mgr. & dir. of bcstg. at Bowling Green State U. Installation of RCA transmitter on the top floor of University's new administration building is to start about mid-Sept. Tower will be installed on roof. Robert F. Kissinger, chief engineer of radio WBGU, will also oversee WBGU-TV. Robert Clarke will be production mgr.

WEIQ (Ch. 42 ETV) Mobile, Ala. is installing GE 12-kw transmitter and hopes to be in operation by Jan. 1, says Raymond D. Hurlbert, gen. mgr. of state's chain of ETV stations. Blaw-Knox 500-ft. tower is ready; contract to install antenna & transmission line will be let after Oct. 1.

WSVI (Ch. 8) Christiansted, V. I. now plans Dec. tests and Jan. or Feb. programming, writes George A. Mayoral, vp & chief engineer of owner WORA-TV Mayaguez, P. R. The transmitter-studio building is half completed. A 500-watt Visual Electronics transmitter is on hand, as is a 60-ft. Utility tower. Rep not chosen, base rate not set.

Tiff between NAB & Ga. Assn. of Bcstrs. reached letter-writing stage last week. Jack Williams, GAB exec. secy., & Ray Carow, WALB-TV Albany & GAB pres., wrote separately to NAB vp Howard Bell protesting his public stand decrying attempts to bypass NAB's national leadership on such matters as editorializing & international broadcast conference (Vol. 3:34 p2). Williams said its editorializing activity "does not constitute a challenge to anyone," expressed hope that other state groups would have similar conferences. He said GAB supports NAB, stated he believes NAB should have full-time "liaison man" for state assns. (It's known that NAB is working towards greater cooperation in this area.) Carow said he believes in full cooperation, but wished NAB would have consulted with him before releasing "antagonistic attitude" to press. Bell was on vacation, but Pres. Collins commented: "It is difficult to respond without appearing petty." He said groups should "work cooperatively on common objectives and separately on separate ones, but not have head-on collision with each other coming around the same barn from different directions."

Subsidizing uhf conversion in its area, KCHU (Ch. 18) San Bernardino is helping defray costs of converters to its viewers by paying $10 toward price of each one purchased from local dealers. In full-page ads, station will tell consumers that they can convert to all-channel for only $14.95. Recently purchased by local newspaper, Sun & Telegram, station will debut new format Sept. 15, emphasizing local programming, including local newsfilm & telecasts of local athletic events, as well as top-quality feature films. Station has held meetings with TV & uhf converter dealers & distributors, will inaugurate 17-hour-daily, 7-days-a-week programming Sept. 29.

FCC should rescind fairness doctrine statement made July 26 (Vol. 3:30 p3), NAB said last week. Commission "errs when it attempts...to lay down by specific rule the precise manner by which fairness doctrine is to be achieved or judged," NAB gen. counsel Douglas Anello said in letter to FCC Secy. Ben Waple. Provision in 2 examples cited by FCC—that station "must" send transcript of controversial program to attacked person or party—is too rigid, Anello stated. It would encompass, he said, cases where station may not be involved in controversy and also cases involving paid political broadcasts by person other than candidate. Attorney said July statement presents "an entire new concept in Commission policy."

Sen. Pastore (D-R.I.) holds hearings this week on 4 communications bills. Sept. 4 at 2 p.m.: (1) S-708, to provide that FCC may not consider member of Congress as favorable factor in applications for station license or permit. Sen. Proxmire (D-Wis.), bill's sponsor, is first witness. (2) S-1193, FCC-requested bill to require that petitions for intervention in FCC hearings be filed not more than 30 days after publication of hearing in "Federal Register." (3) S-1005, to authorize FCC to grant special temporary authorizations for 60 days for certain non-broadcast operations, introduced by Sen. Magnuson (D-Wash.) at Commission's request. FCC Chmn. Henry will testify on one or more of these bills. Sept. 3 at 10 a.m.: (4) S-920, to permit alien amateur radio operators to operate in U. S., provided there's agreement between U. S. and alien's own govt. Sen. Goldwater (R-Ariz.), who introduced bill, will testify.

House editorializing hearings, chaired by Rep. Rogers (D-Tex.), pick up again Sept. 18-20. Communications Subcommittee in July heard from networks, NAB, FCC, Congressmen, others (Vol. 3:29 p3). It now wants to hear from broadcasters, has invited requests for appearances. Among those who are tentatively set to testify: Ben Strouse, WWDC Washington; some members of Ga. Assn. of Bcstrs.; John Tyler, KFDA-TV Amarillo; Charles Crutchfield, Jefferson Standard Bcstg.

UPI will produce & syndicate its own TV newsfilm, effective Oct. 1, ending collaboration with Movietone News after 12 years. Movietone said it's discontinuing domestic newsreel service.

1964 TELEVISION FACTBOOK ADVERTISING

The 1964 Edition of **Television Factbook** (#34) is now in preparation and advertising space reservations are being accepted. The **Factbook**, with a circulation sharply increased to 10,000, is used daily by executives in all facets of the TV industry—the people who make the decisions and buy time, equipment, services. Thus it becomes the most effective advertising medium available to those selling to the television and advertising industries. The **Factbook**, including its exclusive coverage maps and viewing data, marketing information and directories, will be fully updated throughout. Furthermore, it will contain the most comprehensive International Television Directory yet published. To reserve your advertising space in this 1200-page compendium, call, write or wire: **Television Factbook**, 2025 Eye St. N. W., Washington, D. C. 20006; Phone: (202) 965-1985; TWX: 202-965-0979. Many choice positions are still available. Copy deadline is October 15, 1963.

Personals

Thomas A. McAvity, ex-J. Walter Thompson TV programming dir., rejoins NBC-TV as general programming executive... **John W. Kluge**, Metromedia pres. & chmn., will receive Pulse "Man of the Year" Award at Oct. 16 luncheon... **John J. Madden** elected vp & comptroller, Metropolitan Bcstg.

Marcus Bartlett, gen. mgr. of WSB-TV Atlanta, named to head Cox Stations CATV operations; **Frank Gaither**, radio WSB gen. mgr., appointed head of Cox TV-radio stations; **Don Elliot Heald**, WSB-TV sales mgr., promoted to station mgr.; **Elmo Ellis**, radio WSB program mgr., promoted to station mgr.

Clayton H. Brace, returned from 2-year Beirut tour representing Time-Life Broadcast's interest in Compagnie Libanaise de Television, appointed vp-gen. mgr., KOGO-TV-AM-FM San Diego... **William G. Evans** promoted to station mgr., WZZM-TV Grand Rapids.

David J. Shurtleff, mgr. of WJAR-TV Providence, and **Arnold F. Schoen Jr.**, mgr. of WDBO-TV-AM-FM Orlando elected vps of parent Outlet Co.

Howard H. Marsh promoted to sales mgr., KPIX San Francisco, succeeding **Lamont L. Thompson**, named exec. vp, rep TvAR; **William P. Hessian Jr.** succeeds Marsh as asst. sales mgr... **A. C. R. Stone** appointed production mgr., Storer Programs, Hollywood.

Willis Grant, NBC coordinator of corporate information, promoted to research projects mgr... **John H. Kirchstein**, ex-NBC Spot Sales research analyst, named research supervisor, WNBC-TV N. Y., succeeding **Nathaniel S. Rubin**, resigned... **Leo V. Collins**, ex-press information & public affairs dir., radio WXYZ Detroit, named to similar post at WABC-TV N. Y., succeeded by **David R. Klemm**, ex-Balaban Stations.

Howard Kany, CBS TV Stations international business relations dir., appointed to U.S. National Commission for UNESCO.

Henry N. Kozanowski, RCA mgr. of TV advanced development, will receive SMPTE's 1963 David Sarnoff Gold Medal Award for meritorious achievement in TV engineering at Society's technical conference Oct. 13-18 in Boston; award cites Dr. Kozanowski's contributions to improved TV studio & film camera equipment.

Edward Galuska promoted to engineering mgr., Adler Electronics industrial products div., specializing in uhf broadcasting, TV repeater & instructional TV systems.

Largest CATV system in U.S. will be located in Austin, reported Jerrold Electronics, as it announced signing of over $750,000 deal with Capital Cable Corp. of Austin, subsidiary of Mid-West Video Corp., Little Rock. System will provide Austin with 8 TV channels (including one for local weather) and unspecified number of FM-stereo channels. It's part of more than $3 million in CATV contracts signed by Jerrold since Milton Shapp resumed presidency few months ago.

Edward Petry & Co. has been sold to employee group headed by Exec. vp Martin Nierman. Chmn. Edward Petry & Pres. Edward Voynow continue in same posts & as directors. Stock was bought from Petry, Voynow & their families with substantial down payment.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington, D.C. 20006
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

Civil rights march on Washington Aug. 28 turned out to be real TV spectacular, with networks devoting far more time to it than they had originally planned—including unscheduled 3-hour continuous stretch of live coverage from 1:30 to 4:30 p.m. by CBS. Coverage was described as most elaborate for any event ever held in Washington, with some 35 cameras in use. All 3 networks presented nighttime specials. Coverage reportedly cost 3 networks more than $300,000. Coverage was relayed to Europe via Telstar II twice during the day from NBC—once for 23-min. presentation, once for 30 min. It was telecast in 9 West European countries by Eurovision network and in 7 Iron Curtain nations by Intervision. No national rating figures were available at press time, but Nielsen measurements of N. Y. area indicated that viewing for 9:30 a.m. -3 p.m. period was 46% higher than in same time period one week earlier.

Dramatic behind-the-scenes attempt to use closed-circuit TV to help in rescue of miners trapped by cave-in in Sheppton, Pa., may result in important contribution to mine safety. Prime mover in plan was Robert J. Tarlton, pres. of Panther Valley TV in nearby Lansford, Pa. Officials of U.S. Bureau of Mines, on the scene, expressed extreme interest in technique.

First ETV construction grants, totalling $858,152, were made last week by HEW: Chicago ETV Assn., $299,619 to activate Ch. 20; Hampton Roads ETV Assn., $129,143 to expand WHRO-TV (Ch. 15); S.C. ETV Commission, $270,303 to activate Ch. 29 Greenville & $59,222 to start Ch. 7 Charleston; Utah State U., $99,865 to activate Ch. 12 Logan.

RAB & Radio Sales Bureau of Canada have reached 2-year agreement whereby RSB members become members of RAB and receive all materials. RSB is made up of 84 stations & 9 station reps. RAB Pres. Edmund Bunker pointed out arrangement is "common sense way of spreading cost of promotion and sales ideas." In another development, Robert Alter, RAB vp & national sales dir., announced new national drive aimed at reaching top agencies at 3 levels—account management, media, creative.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

ADMIRAL SHIPPING 11-IN. TINYVISION: Admiral's 11-in. personal portable is now in large-scale production and shipments have begun—joining GE's hot-selling set of same size on the new U. S. -made tinyvision market—as first predicted in these pages last Jan. (Vol. 3:4 p8).

Company had promised its set would be "competitive" with GE's—and indeed it is, down to last penny. Price leader is $99.95, with step-up at $109.95, exactly same as GE's 2 low-end 11-in. personal portables. But this is about only similarity. Where GE stresses it has developed radically new "no-chassis" circuit, Admiral's big selling-point is that it is virtually a scaled-down version of maker's larger sets, using "same time-proven circuitry."

Presumably because of this concept and because, in words of Admiral electronics Vp A. A. Medica, "far more than normal strength has been engineered into this TV," Admiral's set is slightly larger & heavier than GE's. Admiral set weighs 14 1/2 lb. vs. GE's 12 3/4; dimensions are 12 5/8-in. high, 13 5/8 wide, 9 7/8 deep, while GE set measures 10 3/8-in. high, 14 tapering to 10-in. wide, 9 7/8-in. deep. Admiral's $99.95 set has 14,000-volt horizontal chassis, monopole antenna, side-mounted tuner, beige polypropylene cabinet. Step-ups have 2-tone finish, featuring silver-gold and black, red, sungold or white, front-mounted channel indicator, earphone & jack.

GE's 11-in. portable got new & unpredicted boost, meanwhile, when Sept. issue of influential Consumer Reports gave it generally favorable review. GE is now in production of 2 more 11-in. models which had been delayed as result of big demand for $99.95 & $109.95 sets—desk-top or table model at $119.95 and bedside clock-TV-radio at $149.95.

Industry will watch tinyvision sales closely this fall to see whether bloom comes off—whether there's room for only one or two makes, whether it's a fad or whole new field. No matter what they discover, it's pretty safe bet that Admiral & GE will have U. S. -made tinyvision field all to themselves at least through Christmas.

ACTION TO EASE ALL-CHANNEL TRANSITION: With "U-Day" less than 8 months away, there's one slight glimmer of hope that all confusion & dislocation can be completely avoided. This is possibility of congressional elimination of 10% manufacturers' excise tax on all-channel sets, which, in effect, would nullify price increases forced by addition of uhf tuners.

There's only outside chance for passage of this exemption legislation—and it would require massive lobbying job, an area where TV manufacturers have never been very effective. Nevertheless, there's some reason to believe exemption legislation has better chance now than ever.

FCC Comr. Robert E. Lee, chairman of govt. -industry Committee for Full Development of All-Channel Broadcasting (CAB), has earned himself title of "the set maker's friend" on the FCC, as result of his efforts to smooth transition to all channel. "It's ironic," Lee told us last week, "that I was the only commissioner to vote against the all-channel proposal, and yet I have been delegated to police it." Lee will ask FCC to put excise-tax exemption on its list of recommended legislation when it meets on its legislative program this month. "I think the Commission will buy it," he said. "We have much more persuasive arguments for Congress than we ever had before."

Key to excise-tax exemption's chances is position of the administration, as expressed by Treasury Dept. In past, Treasury has always opposed measure, but there's some hope it may soften its stand this time. James D. Secrest, EIA exec. vp-secy. and head of CAB's information committee. also feels there's better chance for excise tax exemption than ever before. Situation this time is unique, he points out, in that Congress passed law which in effect raises TV set prices, and it now has it within its power to bring those prices down by removing excise tax.

In recent weeks, Comr. Lee has visited nearly all major TV set manufacturers. He told us he found 2 areas of extreme concern about all-channel law: (1) Fear that competitors will evade "spirit

of law" by continuing shipments of vhf-only sets within their home states, possibly even setting up assembly plants in populous states (N. Y., Cal. & Ill. comprise 36% of TV market). (2) Utter ignorance of public, and even dealers, about meaning & effect of law.

With regard to first area, Lee said even intrastate shipment of vhf-only sets may well be illegal, on ground that set could well be transported to another state through transshipment, etc. "I've asked for a legal opinion on this." He added: "By & large, the set makers say they're going to adhere to the letter & spirit of the law. But everybody's watching the other guy, to see if he does. They're also watching us. Some of them are afraid we'll abandon uhf. They agree it would help if the FCC would guarantee to make no changes in television channel allocations for at least 3 or 4 years."

As to thorny problem of educating public, dealers & service technicians, 3 independent steps are being taken: (1) FCC is preparing 15-min. sound-slide strip, illustrated by Agriculture Dept. graphic artists, for orientation of service technicians to uhf. It will have premier Sept. 11 at EIA fall conference in N. Y., will be loaned to interested groups or sold at cost. Lee favors shipping it to all TV stations for on-air showing. (2) Transcript of all-channel seminars in Washington, N. Y. & Chicago are being boiled down into pamphlet, for distribution by either govt. or EIA. (3) EIA & National Better Business Bureau are drafting consumer orientation pamphlet on uhf. (4) There's possibility CAB may develop one-minute public-service spot announcement for shipment to all TV outlets.

Another extremely significant activity of CAB may result in correction of what many TV set makers consider an aggravating error by FCC. CAB's technical committee will meet Sept. 24 to discuss proposed tests of various ratios of visual-to-aural power of TV stations. FCC recently gave uhf stations permission to operate with aural output as low as 10% of visual, while percentage for vhf remains at 50%. Set makers have been extremely concerned, particularly insofar as this would require sets which must accomodate varying visual-to-aural ratios, conceivably increasing costs (Vol. 3:34 p7). Engineering committee, headed by Dr. Frank G. Kear, is expected to propose tests to FCC. Depending on results, petitions could be filed with FCC to change standards to make them uniform for both vhf & uhf.

Other technical research into uhf, at govt. expense, is also possibility. Said Lee: "I have not ruled out govt. funding of research which is beyond the capabilities of any one company." He added that he thought it wouldn't be too difficult to obtain Congressional appropriation for specific uhf research.

With all the preparations for all-channel changeover, consumer information remains weak link, however. Secrest believes strongly that all TV stations—particularly vhf—should be persuaded to get behind law and spread information about it to consumers. "The one person who doesn't know about it," commented Secrest, "is the consumer—who's going to have to pay for it." Lee, too, favors maximum information campaign. He's even coined slogan for all-channel drive: "Don't be half set—be all set."

For other reports on proposals & actions to encourage uhf, see story on p. 1.

CANADIAN ELECTRONICS—A PROFILE: In past 3 decades, Canada's electronics industry has grown to more than 100 companies with annual output of more than $500 million, employing 18,000 people in manufacturing, marketing, engineering and research activities. Future of that industry, however, now is and "will continue to be one of the major problems which must be solved by both industry and govt."

This profile of Canada's booming but beset electronics industry was drawn by W. F. Wansbrough, Canadian GE vp and onetime EIA of Canada pres., in recent Toronto address.

"Maturity came fast to our industry," he noted, but then the problems developed. More than 40 Canadian firms are involved in heavy electronics—microwave, radar, computers, and so on. Bulk—60—are engaged primarily in components and accessory fields. Of latter, 6 produce tubes and semiconductor devices, 12 "are primarily engaged" in production of TVs, radios, phonos, hi-fi equipment.

"Sales of TV receivers in Canada completely saturated the market in 5 years—twice as fast as our U.S. cousins," noted Wansbrough. "When this market fell away, it left in its wake more than half of the TV manufacturers in Canada who could not survive the drop in total sales. Added to the confusion was the introduction of imported transistor radios [which] were laid down in a Canadian port, with end costs lower than the cost of Canadian components alone before assembly, and as imported articles subsequently had the added tax advantage."

Although Canada has "not experienced the phenomenal growth rate of the electronic industry in the U.S.," he continued, "we have kept pace on consumer and industrial products in percent of sales." Wansbrough emphasized: "To those in the electronics industry, the fact of the industry's growth is not as significant as the changing nature of the industry as the growth continues."

Looking to future of Canada's electronics industry, he urged: "If we are to continue to grow, we must become more world-market conscious. We must build our industry on the sound basis of design, quality and price, using those skills available to us to emphasize unique design and quality products that have appeal in industrial world markets. We must use our relatively compact facilities to our advantage of added flexibility in production runs and in innovation of product and design."

He called on govt. to "be alert to pressures which will be exerted to weaken Canada's anti-dumping legislation," warned that "industry planners cannot be continually plagued by doubts and uncertainties concerning future tariff policies that would seriously affect long range plans." Electronics industry "requires a tariff structure which offers reasonable long-term stability, at or near the present relatively low levels," he said.

"Given a sound business climate with a proper application of engineering approach," Wansbrough concluded, "our industry can and will put more production money into research, step up its activities in product planning, value analysis, market research, advertising and sales promotion—in fact, given a free hand, we can and will develop a color TV market in Canada, to name one area of opportunity."

'SHOOK-OUT' DISCOUNT INDUSTRY EXPANDING: TV retailers encouraged by recent and continuing shakeout in discount industry can take little solace from midyear census by Aug. 26 "Discount Store News." Discount competition is increasing sharply, and there are replacements by the dozens for each discounter chopped by Chapter 10 or 11.

Population of discount stores rose a booming 37% (or 585 units) in the 12 months to June 1963—to total 2,169 units. Total discount footage rose 42% to 122,495,000 sq. ft. from 85,939,000. And all indicators point upward. By year's end, census projected, number of stores will increase by 162, footage will jump another 13.3 million sq. ft. June-to-June period, DSN summed up, was "one of discount store industry's greatest boom periods."

Forty-eight percent of 2,169 stores are bunched in top 50 markets. Chicago leads in saturation with 132 stores. Runners-up: Los Angeles, 92; New York, 89; Philadelphia, 57; Cleveland, 43: Detroit, 40; Boston, 37. Five other markets have at least 20 discount stores.

Miami, however, which ranks 26th in number of stores (15), tops all markets in terms of "discount density"—total discount store footage vs. population. There, as DSN puts it, "15 units fight for survival with a total of 1.6 million feet of selling space and a population of a million."

Discount stores also are getting bigger. In year to June 1963, average store size increased to 54,000 ft. from 50,000 ft. Closed-door or membership discount stores are decidedly larger on the average, with 86,000 ft. Closed-door stores, incidentally, account for 6.5% or 11,820,000 of total 122,495,000 sq. ft. of discount selling space.

Top discount department, in terms of frequency among stores, is housewares, present in 96.8% of stores. Of these, 79% are store operated, 21% leased. TV-appliance departments rank 19th, in 65.9% of stores and are 69% operated and 31% leased. TV-appliance departments are more popular among closed-door discount stores, rank 9th and are found in 94% of stores.

Fixturing a TV-radio-appliance department, DSN found, averages $1.77 per sq. ft. in conventional discount store (80,000 sq. ft.). Cost rises to $2.50 for a deluxe operation, dips to $1 for low budget store.

TV-RADIO PRODUCTION: EIA statistics for week ended Aug. 23 (34th week of 1963):

	Aug. 17-23	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV...	167,041	150,858	155,142	4,396,286	4,132,603
Total radio	406,770	349,027	550,949	10,814,908	11,652,448
Auto radio.....	169,170	140,352	270,377	4,566,154	4,103,170

GOVT.'S NEW TV-RADIO FIGURES: Manufacturers' shipments of TVs, radios, phonos, recorders & hi-fi components totaled $1,695,320,000 in 1962, up more than 13% from the $1,492,735,000 of 1961. So says Census Bureau's annual tally of U.S. consumer electronics business. Figures represent net value of units shipped, FOB plant, after discounts & allowances and exclusive of freight charges & excise taxes.

Census tally is based on reports from all known U.S. manufacturers. Its breakdowns in various categories traditionally reveal lower unit & dollar volume than EIA figures which are the industry standard. This year, Census neatly sidestepped howling controversy in which it became enmeshed last year when it reported 1961 shipments of color TV sets as 147,000 units, while industry had been using figure of 180,000 (Vol. 2:44 p7). RCA had protested that Census figure was inaccurate. In new tally, however, Census hides color figure by combining it with b&w total. It reports combined color and b&w shipments were 6,644,000 sets at $925,132,000, up from 6,012,000 at $812,012,000 in 1961. EIA reported 1962 factory production of b&w sets at 6,484,000 units and 6,177,000 in 1961.

One clue to Census' figure for color shipments last year can be obtained in this roundabout manner: Last year Census figure on b&w shipments was about 5% below EIA's. Assuming same relationship this year, deducting 5% from EIA's b&w figure and subtracting this from Census' combined color-and-b&w total indicates color set total of about 484,000—almost identical to many well-informed industry estimates.

Most other Census consumer electronics figures for 1962 run below EIA's tallies. For example, total electronic phonos (including radio combos) came to 4,561,000 vs. EIA's 4,954,000.

Perhaps principal value of Census report is the light it sheds on shipments of hi-fi components, on which little statistical information is available elsewhere. Here are 1962 (vs. 1961) figures: Home audio amplifiers & preamps, 207,000 units at $44,670,000 (vs. 389,000 at $38,754,000); tuners & tuner-amplifier combinations, 243,000 at $21,544,000 (vs. 190,000 at $12,540,000); other home-type equipment, such as converters & adapters, 530,000 at $7,391,000 (vs. 473,000 at $6,073,000); home recorders, 466,000 at $88,631,000 (vs. 389,000 at $38,754,000).

Complete report [Current Industrial Reports, series M36M(62)-1] is available for 10¢ from Bureau of Census, Washington, D.C. 20233, and from Commerce Dept. field offices.

Color TV kit will be offered by Heath Co., beginning in Nov., at $349 without cabinet. Optional extras are cabinet ($49), uhf ($20), mounting kit ($4). Heath, subsidiary of Daystrom, is 2nd manufacturer to offer color TV in kit form. Transvision has been in color kit field for some time.

"Friends of Service" awards voted by convention of National Alliance of TV & Electronic Service Assns. at last week's Chicago convention went to Zenith Radio, Finney Co., GE tube div., Philco parts div., Raytheon tube div., RCA tube div., Sylvania tube div., Tung-Sol, and Howard W. Sams & Co.

Home video recording fever has gripped Britian. Two low-priced systems, said to be ready for production, have been announced there within 2 months. On heels of furor created by claims for Telcan home TV tape recorder (Vol. 3:32 p7) comes announcement by another British firm that it has developed 33 1/3-rpm LP disc which will produce picture as well as sound. Combination picture-sound player will sell for about $100—perhaps in about 3 months—according to promoter Wolverhampton Radio & Supplies Co., Wolverhampton. Inventor Colin Mason claims his "Videogram" is capable of reproducing bandwidth of up to 35 mc (10 times the frequencies needed for reproduction of TV picture), that the picture-sound records could be produced for same price as standard audio LPs—or even lower. Mason says $100 picture-sound phono would be designed to be plugged into TV set. U.S. TV engineers are even more skeptical about Videogram than they were about Telcan.

More U.S. households own TV sets than refrigerators by margin of better than 5%, recent Census Bureau sampling indicates. Sampling was made last July in connection with quarterly study of consumer buying intentions, showed 89.9% of households surveyed had TV sets, 85.4% refrigerators, 72.5% washing machines, 22% dryers, 14.9% air conditioners, 7.2% dishwashers. As with most other consumer durables, buying intentions were up, compared with last year. Some 4.4% of households indicated in July 1963 that they planned to buy TV sets within next 6 months; one year earlier, figure was 4.3%, and in April 1963 it was 4.2%. Intentions to buy "radios & phonographic equipment" during next 6 months were expressed by 1.9%, same as one year earlier, down from 2% in April '63.

"TV Set Buyers' Guide" pull-out supplement to Sept. 7 "TV Guide" will be accompanied by 235 pages of tie-in advertising by set manufacturers & distributors in magazine's 70 regional editions, more than double last year's 112. Buyers' Guide itself will have 19 pages of ads by GE, Philco, RCA, Sears, Sylvania, Westinghouse & Zenith (Vol. 3:24 p9). Tie-ins include additional full-page ads by GE in all 70 editions, by Sears in 30, by Packard Bell in 11. All other advertisers in Buyers' Guide, in addition to many distributors, have also scheduled space in regional editions.

Magnavox sales have increased sharply in past several months, virtually putting "in the bag" earlier forecast of more than $200 million in 1963 sales, Pres. Frank Freimann said. Sales last year totaled $202 million. "We will have to show a sales improvement of about 35% in consumer products this year to offset lower military product sales and achieve our sales goal," he amplified. Military sales through July were down "about 40%" from year ago. July-Aug. consumer products sales shot 50% ahead of year ago, he said. TV led gain parade with 80% jump. New low-priced portables sparked TV sales rise with volume "up over 100%" from 1962. Freimann said Magnavox is "shooting for more than $2 a share" in earnings this year, up from 1962's $1.73.

Sylvania TV factory unit sales rose 16% above year ago during 1963's first 7 months, Sylvania Home & Commercial Electronics Corp. Pres. Robert J. Theis reported. Factory stereo sales pushed 30% ahead, with consoles accounting for bulk of increased sales. Theis said that demand for Sylvania portable TVs "especially sets with optional clock timers, has far outpaced production schedules."

Trade Personals

Dan R. Cavalier, former vp of E. F. MacDonald Co., Dayton, O. appointed Philco Consumer Products Div. merchandising mgr., succeeding **Raymond B. George**, who will be reassigned.

Dr. W.W. Wetzel, pioneer in development of magnetic sound tape, will retire next year as vp-gen. mgr., 3M Magnetic Products Div., to be succeeded by his long-time co-worker, scientist **M.C. Hegdal... George J. Wachholz**, former Revere-Wollensak Div. vp, elected 3M corporate vp & head of Photographic Products Group, which includes newly acquired Dynacolor Corp. as well as Revere-Wollensak; **Darrell H. Boyd**, ex-tape cartridge systems product mgr., named to new post of Revere-Wollensak consumer products marketing mgr.

Takashi Nakagawa appointed director of electronics & machinery inspection sections of Japan Trade Center, N. Y., succeeding **Makoto Toida**, returning to Japan.

Albert E. Warner, ex-RCA International industrial relations dir., named Sylvania industrial relations dir... **Jerry Balash**, ex-Telesystems Corp., named to new post of uhf product mgr., Blonder-Tongue Labs, charged with working with stations & dealers in individual uhf markets to develop local converter marketing programs.

J.A. (Shine) Milling, pres. of Sams Div. of Howard W. Sams Co., elected pres. of Electronic Industry Show Corp. Other officers elected: vp, **J. Rudy Hummes** (J. W. Miller Co.); treas., **Walter A. Clements** (Littelfuse); secy., **Aaron Lippman** (Aaron Lippman Co.).

R.A. Correa, former RCA patents & licensing vp, elected business development vp of American Machine & Foundry... **Voyle Gilmore, F.M. Scott III & Robert C. Carp** named Capitol Records vps.

Edward G. Dietrich appointed Sylvania closed-circuit national accounts mgr., with N. Y. hq.

Larry Dorst, Flint & Dorst, Milwaukee, elected pres. of National Alliance of TV & Electronic Service Assns. (NATESA). Other officers: **Earl Steffes**, secy. gen.; **Harold Q. Eales**, re-elected treas.; **Frank J. Moch**, renamed exec. dir.

Widespread use of tunnel diodes in uhf tuners was predicted by GE's W.C. Broeffle at recent Wescon meeting in San Francisco. He said GE will be in full production of tunnel diodes by 4th quarter, with prices ranging from less than $1 to about $3. First manufacturer to use tunnel diode in consumer item was Sony, which has incorporated it in oscillator stage of uhf converter (Vol. 3:27 p10).

Obituary

G. Pryor Molloy, 46, former Owens-Illinois industrial & electronic products marketing vp, died Aug. 26 in Medellin, Colombia, of complications following surgery. Last spring he was appointed vp-gen. factories mgr. of O-I subsidiary Cristalleria Peldar S. A. A one-time RCA engineer, he was long identified with O-I's Kimble TV bulb operation, serving as engineering superintendent of Columbus, O. TV bulb plant from 1952 to 1956. He is survived by his wife & 2 sons. Funeral arrangements are incomplete, but private services will be held in Ft. Lauderdale, Fla.

JAPANESE MINIMUM TV PRICES: New price floors for popular sizes of TV sets exported to U. S. from Japan (Vol. 3:32 p7) were expected to be put into effect this week or next, following ratification by Japanese Ministry of International Trade & Industry. So far, 23 Japanese TV manufacturers have agreed to observe minimum prices, which were proposed through EIA of Japan.

Export prices, as finally established, will be at least 3% higher than factory prices. Minimum prices, including forwarding, custom-clearance and exporter commission fees: 19-in. sets, $56.65 (uhf $64.89); 16-in., $46.35 ($56.65); 5-6-in. transistor TV, $72.10 (uhf $82.40); smaller than 5-in. transistor, $66.95 (uhf $77.25). Sizes not included in list are not price-controlled.

Meanwhile, U. S. Commerce Dept. released tally of total 1962 Japanese electronics exports to U. S., indicating dollar volume rose to $159 million, 32% above 1961 figure. Commerce Dept. statistics reflect slight revisions from figures reported in these pages earlier this year (Vol. 3:6 p7).

They show total Japanese TV exports to U. S. last year of 159,000 sets valued at $9,168,000, of which 123,000 were tube type and 36,000 transistorized. Exports for first-half 1963 alone totaled 147,362 sets—close to total for all 1962. Other 1962 Japan-to-U. S. export figures: Radios (all types), 12,125,000 at $87,722,000 (up from 11,552,000 at $74,638,000 in 1961). Tube radios decreased from 2,224,000 in 1961 to 1,608,000 in 1962 and toy radios dropped from 4,774,000 to 2,736,000, while 3-or-more-transistor sets soared from 4,554,000 to 7,781,000. Tape recorders & accessories jumped from $539,000 in 1961 to $2,111,000 in 1962.

In parts categories, here are 1962 Japan-to-U. S. exports: microphones, 179,000; loudspeakers, 2,958,000; earphones, 4,298,000; capacitors, 70,136,000; electron tubes, 27,343,000; transistors, 11,073,000; diodes & other semiconductors, 7,581,000.

Another tabulation by Commerce Dept. shows Japanese electronics production last year totaled $1.6 billion in 1962—increase of about $200 million over 1961. Consumer items accounted for 54% of total, TV receivers being largest single category—$525 million, or nearly one-third of total. Japan produced 4,864,800 TV sets last year, including 4,400 color sets.

Commerce tabulations of Japanese production & exports to U. S. are available from Electronics Div., Busi- & Defense Services Administration, Commerce Dept., Washington.

International Resistance will market Eastman Kodak-produced sound magnetic tape this fall via 1,800 electronics distributors. Kodak mktg. Vp Gerald B. Zornow said distribution deal with IRC does not affect present marketing of the tape through photo dealers, added: "Domestic sales of audio tape by manufacturers totaled about $20 million in 1961. Nearly 50% of that total was the result of sales by electronics distributors."

Minnesota Mining now has full line of 11 Revere & Wollensak tape recorders & players with introduction of 7 new reel-to-reel recorders, starting at $125. Revere line contains only one reel-to-reel unit, all other models being cartridge units.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Beckman Instruments	1963—year to June 30	$ 78,738,000	$ 6,774,000	$ 3,734,000	$2.40	1,558,435
	1962—year to June 30	75,778,000	8,822,000	4,824,000	3.10	1,554,322
Capitol Records	1963—year to June 30	48,604,946	—	1,001,016	2.17	—
	1962—year to June 30	41,857,465	—	350,488	.76	—
Chris-Craft (formerly NAFI)	1963—6 mo. to June 30	39,055,529	2,277,127	1,377,127	1.00	1,376,672
	1962—6 mo. to June 30	38,402,528	2,641,152	1,436,152	1.04	1,376,672
Cowles Magazines & Bcstg.	1963—6 mo. to June 30	58,193,578	3,172,342	1,319,623	.44	2,950,501
	1962—6 mo. to June 30[3]	—	—	—	—	—
Philips Lamp	1963—6 mo. to June 30	744,022,000[1]	—	43,212,000	—	—
	1962—6 mo. to June 30	660,922,000	—	42,104,000	—	—
	1963—qtr. to June 30	—	—	20,287,400[1]	—	—
	1962—qtr. to June 30	—	—	20,284,200	—	—
Rollins Bcstg.	1963—qtr. to July 31	2,126,160	—	255,739	.27	957,244
	1962—qtr. to July 31	1,928,715	—	168,642	.18	955,475
Servel	1963—9 mo. to July 31	—	—	538,080	.22[2]	1,928,845
	1962—9 mo. to July 31	—	—	1,979,014	.96[2]	1,927,345
Spartón Corp.	1963—year to June 30	32,797,269	—	1,065,930	1.14[2]	919,024
	1962—year to June 30	26,452,648	—	641,182	.67[2]	919,024
Spencer-Kennedy Labs	1963—year to June 30	2,027,909[1]	313,716	190,716	.86	221,635
	1962—year to June 30	1,588,766	293,726	176,726	.80	221,235
Sprague Electric	1963—6 mo. to June 30	43,598,343	4,704,320	3,011,514	1.99	1,513,879
	1962—6 mo. to June 30	44,046,249	5,762,640	3,325,088	2.25	1,477,767

Notes: [1]Record. [2]After preferred dividends. [3]Comparison invalid because of acquisitions.

MERGERS & ACQUISITIONS: Magnavox is exploring a "very sizable" acquisition and "serious negotiation" may begin within one month with an undisclosed company whose product line is "compatible with ours" and "could double our sales," Pres. Frank Freimann disclosed. General Precision Equipment was rumored as the possible company, but GPE Chmn. James W. Murray, while confirming that merger conversation had been held with Freimann in the past, said GPE now "has no merger agreement nor tentative agreement with anyone and isn't discussing a merger with anyone." Other merger news last week:

B.S.F. Co., holding company controlled by **Defiance Industries** which is purchasing **TelePrompTer's** Weathers, Conley Electronics and Audio Visual Divs. (Vol. 3:33 p9), has increased its own financial interest in TelePrompTer. It has purchased a $500,000-6% subordinated debenture accompanied by warrants to buy 97,561 shares of TelePrompTer common stock at $5.125 a share before July 31, 1978. B.S.F. earlier this year agreed to buy 40,000 of TelePrompTer's 762,134 outstanding common shares for $240,000.

Rollins Bcstg. secondary offering of 85,000 shares has been placed on market at $16 each by underwriting group headed by N.Y. Securities Co. Offer is by selling stockholders, and no proceeds will accrue to company.

Sylvania's 1963 earnings will jump more than 30% on 10%-plus sales rise over 1962 levels, GT&E Chmn. Donald C. Power forecast. He said GT&E would post record sales and earnings, estimated sales rise to $1.4 billion from 1962's $1.328 billion. Consolidated net income should rise to $100 million (more than $1.30 a share) from $86.3 million ($1.15). Power said per-share earnings in 3rd quarter should top 32¢ vs. 27¢ a year earlier, noted that 4th quarter is GT&E's best.

Sprague Electric offering of $15 million in 4 3 8% sinking fund debentures was placed on market last week and immediately oversubscribed. Debentures, due Sept. 1988, were priced at 99.625% to yield 4.40%. Proceeds will be used to repay some $14 million in short-term debt, balance to working capital. Underwriting was by group jointly managed by First Boston Corp. and F.S. Moseley & Co.

TV-Electronics Fund closed 1963's 3rd fiscal quarter July 31 with resources 11.1% ahead of those extant at close of 1962 fiscal year last Oct. 31, Pres. Chester D. Tripp reported. Total net assets, however, declined to $367.7 million from $379.8 million at end of current fiscal half ended April 30. Net assets per share dipped to $7.35 from $7.48.

Zenith has added 19-in. portable TV for hospital use. "Roomate" model also is available with remote control and pillow speaker unit.

WEEKLY **Television Digest**
with
Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

SEPTEMBER 9, 1963 NEW SERIES VOL. 3, No. 36

SUMMARY-INDEX OF WEEK'S NEWS

NAB LIBRARY

Broadcast

HARRIS HITS AT RECENT FCC MOVES, thinks it's going too far—would like it to modify 'fairness doctrine' statement, to drop proposal limiting commercial; he doesn't believe FCC has statutory right to regulate CATV (p. 1).

FCC PONDERS 'FAIRNESS' IN DRAMATIC WORKS. Staff recommends CBS be told that 'Smash-Up' drama, on automobile injury claims, was 'controversial,' warrants presentation of opposing views (p. 3).

BROADCASTERS POST FIRST-HALF GAINS: Analysis of 8 independent groups shows gross income of 9% earnings up 26% over 1962 period (p. 3).

STORER JOINS BROADCASTERS' CATV PARADE, buying Southern Cal. systems, planning to feed 12 channels. Richard Moore, ex-KTTV, also in picture (p. 4).

COOPERATORS DON'T WATCH MORE TV, SAYS ARB: Rater releases 24-market validation study showing comparable viewing habits between those who fill out diaries and those who don't (p. 4).

NO FAVORS FOR CONGRESSMEN in competitive FCC cases? Right, say Pastore & Proxmire, who endorse bill spelling it. Pastore would extend bill to cover all branches of govt. (p. 5).

Consumer Electronics

3RD 11-IN. SET due—from fast-moving Curtis Mathes—probably in time for Christmas selling; set maker to manufacture own plastic cabinets (p. 7).

SHELBOND PICTURE TUBE meets warm reception in initial introduction to tube & set makers; more manufacturers add Kimcode sets (p. 7).

CINERAMA-TELCAN PACT gives movie company control of manufacture & distribution of home TV recorder in U.S. & most foreign countries; Cinerama aims to do own manufacturing, become power in consumer electronics (p. 7).

TV PRICE COMPARISONS show low-end portables dropped 7% in year, table models began 3% lower, while starting prices of consoles fell 13%, combinations 21%, color sets 32% (p. 8).

IMPORTS & UHF are principal topics facing consumer manufacturers at this week's EIA conference in N. Y.; new staff director to be named (p. 10).

ANNUAL INDEX OF TV-RADIO DEVELOPMENTS: Responding to persistent demand, we have gone back and indexed all issues of "Television Digest" for 1961 & 1962, including copies herewith to all subscribers. Apparently, many organizations find index of great value in tracking down developments over the years. With resumption of index, we have now covered every year since 1949.

HARRIS HITS AT RECENT FCC MOVES: Concern that FCC is overstepping itself, expressed by several congressmen recently (Vol. 3:32 p2), was punctuated last week by Rep. Harris (D-Ark.) in speech to Arkansas Bcstrs. Assn. Chairman of Commerce Committee made these points:

(1) He asked FCC to "review" and "modify" its July 26 statement designed to clarify broadcaster responsibilities under fairness doctrine, said statement "can only result in obliterating this fundamental dividing line of responsibility with regard to programming between licensees & the Commission."

(2) On FCC's proposal to limit commercials: "I believe firmly that after the comments are all in and after the Commission will have had an opportunity to think over the matter, it may very well drop the proposed limitations."

(3) On editorializing: "I am of the firm conviction that the Congress should [establish] ground rules and that it should not leave this important question to the FCC without at least laying down specific guidelines to the Commission."

(4) He conceded that FCC won an important CATV judicial victory in Carter Mountain case (Vol. 3:21 p4), but said that its attempt to regulate CATV is without statutory authority from Congress.

Speech was in form of 2 letters—one he had written last week to FCC Chmn. Henry dealing with fairness doctrine, the other to a "broadcaster friend" who expressed concern about the other matters. Broadcaster originally wrote to Harris that he had "belly full" of regulation, said a station license "was tantamount to a hunting license for the FCC and the Congress to haunt broadcasters in connection with every aspect of their business." Commission was working on reply at week's end; it's expected this week.

Harris's letter stated: "If the Commission in an attempt to achieve fairness seeks to apply its 'Fairness Doctrine' to the content of individual programs involving the discussion of issues of public importance then, contrary to the policy of the [Communications] Act, the Commission inevitably will inject itself into programming on a day-to-day basis."

But he did add: "The authority and responsibility of the Commission with regard to programs thus is limited to determining periodically (at renewal time) whether or not the licensee on an over-all basis has performed in the public interest."

Ironically, just about the time Harris was saying FCC shouldn't apply fairness doctrine to individual programs, Senate Communications Subcommittee Chmn. Pastore (D-R. I.) was asking FCC for a "fairness" ruling on a specific program. Commission people were asking each other: "Which chairman do you read?" Sen. Thurmond (D-S. C.) also had misgivings on subject (see p. 5). And, to get more complicated, FCC was wrestling with complaint about unfairness in a CBS-TV drama (see p. 3).

Other highlights of Harris letter to broadcaster: "I firmly believe [bill by Rep. Rogers (D-Tex.) to prohibit FCC from setting commercial limits] constitutes a step in the right direction in that it would permit the Commission to cope with excessive commercialization as one aspect of programming on a case-by-case over-all basis without letting the Commission inject itself into the day-to-day program operation of all broadcast stations... "The only way in which broadcasters can audit rating services is to do so collectively as has been proposed by NAB. The association has made good progress...

"This reminds me that you had some misgivings about your own trade association. Let me remind you that [it] was responsible for the adoption of radio and television codes which contain specific provisions concerning the limitation of advertising... I venture to say that had your assoication been in a position to exercise greater influence in this area, the industry might not be confronted now with Commission rule-making...

"Broadcasters in general seem to feel on the defensive... The requirement that broadcasters must establish and meet community needs can be both your shield and sword. If you succeed in getting your communities behind you, you need not fear greatly governmental criticism or interference. The Commission's Omaha hearings seem ample proof of my contention.

"I have a strong feeling that in recent months the Commission may have forgotten an important principle which it alluded to in its statement on programming. The Commission stated 'we do not intend to guide the licensee along the path of programming; on the contrary the licensee must find his own path with the guidance of those whom the signal is to serve.' The Commission's Notice of Fairness, its proposed rule-making on advertising and the proposed ban on horse-racing information seem to me examples of this new Commission attitude. I regret this attitude and I hope this trend will not continue...

"Community antenna TV systems are increasing by leaps and bounds. In my own state there are now more than twice as many such systems as there are television stations. In [the Carter Mountain case] the court upheld the contention of the Commission that it could use its power to license microwave operations for the purpose of regulating community antenna systems.

"I don't agree with this approach... I am still old-fashioned enough to believe that basic policies should be laid down by the Congress, and not by Commission fiat with judicial approval... It seems to me that a basic conflict seems in the offing between local television stations and community antenna systems. Unless some steps are taken to resolve this conflict, the Congress may well be called upon to do the resolving."

NAB Pres. Collins had heated comments about FCC & Congress for Arkansas meeting. He said a licensee "lives under an FCC which finds him to be qualified as a broadcaster when he is granted a license, an FCC which is prohibited by law from censoring what he broadcasts—and yet, an FCC which seeks to coerce the nature of his programming in various ways...

"He lives under a Communications Act—hoary in obsolescence—that fixes in the FCC a strange and inefficient co-mingling of legislative authority, judicial power and executive control. The result may prove to be a boon to Washington lawyers, but it is nightmarish and frightening to most broadcasters.

"He lives under a Congress which by mandate restricts his efforts in the broadcast of messages of political candidates, and which is now giving serious consideration to curbing further the expression of his editorial viewpoints."

FCC PONDERS 'FAIRNESS' IN DRAMATIC WORKS: Interpretation of FCC "fairness doctrine" in handling controversial issues, when it comes to dramatic works, can be a ticklish thing. We've learned, for example, that Commission has up for consideration a complaint about Oct. 10, 1962 "Smash-Up" show on CBS-TV's "Armstrong Circle Theatre." FCC staff's recommendation is that CBS be told that program was controversial and that "fairness doctrine" applies even if a dramatic work was involved.

Program involved excessive & fraudulent claims in automobile injury suits. National Assn. of Claimant's Counsel of America complained to FCC that program was an effort to "brainwash the minds of prospective jurors" and was instigated by insurance companies. It asked Commission to do something to prevent further similar presentations.

When asked by FCC to comment on NACCA's complaint, CBS had said: "Because of the nature of dramatic programs and because creative talents cannot be channeled at will, we have never accepted the proposition that a drama which may present one facet or point of view is to be counterbalanced by an opposing point of view. To do so, we feel would rob dramatic presentations of their essential vitality. But, in any event, in the case of 'Smash-Up', the issue, or theme of the program, was that the assertion of fraudulent claims, having unethical & perjurious connotations, can lead to discovery & prosecution. We do not believe that this issue is one about which there can be any reasonable controversy."

Commission staff argues that CBS is wrong. It suggests that CBS be told that "substance" is what counts, not "form," but that broadcaster has wide latitude in choice of techniques for achieving fairness. Staff also recommends that NACCA be told, however, that FCC has no power to prohibit broadcast of any programs.

BROADCASTERS POST FIRST-HALF GAINS: Independent TV-radio broadcasting chains, riding momentum of 1962's sales & profit spectacular (Vol. 3:15 p1), posted equally impressive revenue & earnings gains in 1963's opening half. Combined gross income of 8 broadcasters rose 9% above 1962's Jan.-June level, while earnings of 9 chains climbed 26%.

Here's capsule summary of our analysis of these independent broadcasters: (1) Each of 8 broadcasters whose sales figures were available showed increase over year earlier. (2) Overwhelming number—7 of 9—boosted earnings. (3) All finished first half in the black. Many of the broadcasters we analyzed have diversified interests, but they are representative of industry sales and profit trends because, in all instances, broadcasting is a major activity.

Combined sales of 8 broadcasters rose 9% to $88,309,070 from $80,955,405 in 1962's opening half. Gains in the main were steady & substantial. Wometco, for example, jumped more than $1 million to $10 million from $8.9 million. Metromedia—to $28 million from $26.2 million. Capital Cities—$8.3 million from $7.3 million. Storer—$19.9 million from $18.1 million.

Amalgamated earnings of 9 broadcasters climbed to $8,810,691 from $7,013,507. Latter figure is after deducting Macfadden-Bartell's $393.629 loss in 1962's first half. This broadcaster, incidentally, rebounded from that loss with resounding $627,007 profit in 1963's first half. Only 2 companies slipped from year-earlier's profit pace. Taft, in the quarter to June 30, dipped to $565,746 from $578,541. Storer slipped to $2.9 million from $3.6 million (1963 figure is after special charges of $256,247). Here's 1963-vs.-1962 first-half performance of 9 representative broadcasters:

	Sales		Earnings	
	1963	1962	1963	1962
Capital Cities Bcstg.	$ 8,281,528	$ 7,314,395	$ 961,555	$ 633,027
Gross Telecasting.	—	—	344,637	288,850

	Sales		Earnings	
	1963	1962	1963	1962
Goodwill Stations	4,140,577	3,863,306	397,505	342,900
Macfadden-Bartell	12,083,250	11,229,928	627,007	(393,629)
Metromedia	27,978,000	26,206,000	1,838,228	1,021,655
Reeves Bcstg. & Development	2,754,400	2,301,700	100,900	7,600
Storer	19,917,000	18,067,000	2,931,654	3,618,366
Taft (qtr. to June 30)	3,203,574	3,057,975	565,746	578,541
Wometco Enterprises	9,950,741	8,915,101	1,043,459	916,197
TOTALS	**$88,309,070**	**$80,955,405**	**$8,810,691**	**$7,013,507**

STORER JOINS BROADCASTERS' CATV PARADE: Chalk up another breakthrough of major broadcaster into CATV. It's Storer this time, buying 80% of Southern Cal. Cable TV Corp., Los Angeles. The two systems involved are relatively new, relatively small (about 250 subscribers each), but have big growth potential. They're in Ojai Valley & Thousand Oaks area. According to Storer Pres. George B. Storer Jr., area is expected to increase population from 18,000 to 180,000 in 10 years.

Systems were bought from major stockholders Victor Sharar & CATV equipment maker Spencer-Kennedy. Sharar will remain as vp-gen. mgr., and Richard Moore, onetime head of KTTV Los Angeles, becomes a vp & stockholder.

Systems carry all Los Angeles signals plus Santa Barbara station, will add San Diego programs—to provide total of 12 channels. Said Storer: "The present systems being operated are only a start in over-all expanding systems that we anticipate." Storer thus joins parade of powerful & shrewd broadcasters who have decided finally to diversify into this natural extension of their operations. (For compilation of broadcasters now in CATV, see Vol. 3:17 p3 et seq.).

But CATV operators still have their problems with FCC, which, though it now has no authority over them, does control their most important means of expansion—microwave systems to bring in more & better signals.

Last week, 20 microwave operators whose links don't cross state borders, filed joint pleading through attorneys Smith & Pepper, challenging FCC's authority to regulate them. They asked for a declaratory ruling, asserting that Commission has very limited control over them because they're not interstate operators. They claimed that FCC can only decide if an applicant for such microwaves is qualified "and that the radio portion of the operation is conducted in accordance with applicable technical standards and does not interfere electrically with other authorized radio operations." Sympathetic reaction at FCC is not anticipated.

COOPERATORS DON'T WATCH MORE TV, SAYS ARB: After ratings hearings, many observers came away with opinion that viewing habits of those who cooperate in sample design are substantially different from those who don't. Rep. Moss (D-Cal.) repeatedly asserted that ratings measure only viewing of those "curious" people who cooperate by accepting gadgets in house & by filling out diaries.

ARB offered "counter-evidence" last week. It released results of 24-market validation study conducted in June 1962, a 116-page report titled "The Influence of Non-Cooperation in the Diary Method of Television Audience Measurement." Company used telephone coincidental method to validate viewing in homes originally drawn for its diary method. In this way, it could check on homes that didn't return diary as well as those that did. The 24 markets reflect all sizes & locations.

ARB said study showed that there are no major differences in viewing levels between cooperators and non-cooperators, though there were slight differences in audience characteristics. For example, it found that for random selected time periods, homes using TV were 24.7% among cooperators and 23.8% for non-cooperators. Cooperators, however, were made up of slightly larger families.

Rater also concluded that even in markets where the rate of cooperation differs, higher viewing levels occur just as often among cooperators as among non-cooperators. This would be true in such markets as Savannah, which showed a 36% sample return of diaries, as against Wichita with a 60% return rate. However, differences in audience characteristics increase as return rates decrease.

NO FAVORS FOR CONGRESSMEN: Though FCC wasn't much excited about it, saw no need for it, there might develop quite some support for Sen. Proxmire's bill (S-708)—which would forbid FCC from giving a special plus to applicants who are also members of Congress.

In Senate Commerce Subcommittee hearing last week, Chmn. Pastore (D-R. I.) not only endorsed bill but said it ought to apply to officials of all other branches of govt., too. To do otherwise, he said, is an "act of injustice to other applicants."

FCC Chmn. Henry agreed with purpose of bill but said Commission policy embodies it and that there's no need for legislation. Pastore & Proxmire disagreed. They pointed to examiner's initial decision in 1959 favoring Capital Cities for Ch. 10 in Albany. Applicant contained members of Congress. Ruling on one of many criteria—civic participation—examiner said: "It cannot be ignored that some of these individuals have achieved civic and political prominence which denotes in them an ability to discern and be responsive to the interests of... their community; to be elected and re-elected as members of the House of Representatives is such a manifestation. The aggregate civic backgrounds of each applicant are good, but Capital Cities' is manifestly superior."

Pastore & Proxmire didn't like this at all, even though Henry pointed out that final grant a year later was based on many other factors favorable to Capital Cities, Henry said decision indicated that Commission doesn't have policy of either favoring or penalizing an applicant because member of Congress is officer or stockholder.

Sen. Thurmond (D-S. C.) stated there ought to be measure prohibiting members of Congress from having an interest in a station. "Is it wise for any member to apply to the government for a franchise?" he asked.

Thurmond then seized opportunity to ask about fairness doctrine. He queried: (1) When a local station airs a taped version of his news bulletin containing views on controversial matters, does it have to give "equal time"? (2) And how about President's press conference? (3) And does fairness doctrine apply to networks as well as stations?

There has to be reasonable opportunity for contrasting viewpoints, Henry stated. Doctrine doesn't require "exact balance;" it's the over-all picture that counts, he said, adding that policy applies to licensees but as a practical matter networks comply.

What happens when network programs favor nuclear test ban treaty? Thurmond inquired. Stations should provide other views, Henry said.

Thurmond also asked if fairness doctrine applies to broadcast views that are paid for. Is station required to give free time to opposition? Henry said Commission will have ruling in about 2 weeks. Pastore has no problem at all with the subject. Just because a group has "cash" is no reason why opposing side shouldn't be heard, he declared.

On another bill, Henry testified on Commission-requested measure (S-1193) to require an interested party who wants to intervene in hearing to do so not more than 30 days after hearing issues are published in "Federal Register." Present deadline is 10 days before hearing begins. Pastore thought this a fine idea.

Abolition of option time still holds, FCC said, as expected, turning down petitions for reconsideration filed by ABC, its affiliates' association and CBS. Commission gave arguments short shrift. It told ABC that it doesn't think it will be "hurt" more than CBS or NBC, that networks don't need more time to adjust to new rules. CBS was concerned about FCC's language in option-time decision, which not only prohibited option time but any other arrangement "which has the same restraining effect as time optioning." CBS argued, among other things, that this came without warning, is vague & discriminatory, violates court remand, constitutes rate-making. Commission tossed out all CBS arguments. It's now up to courts.

Oklahoma Congressional delegation added its support to stand against FCC's proposal to set ceiling on commercials. It reportedly told 8-man committee of Oklahoma Bcstrs. Assn. that it would write letter to FCC stating its displeasure with rule-making. OBA met with Congressmen in office of Sen. Monroney (D). Others attending: Sen. Edmondson (D), all Congressmen (aides of Albert (D) & Jarman (D) substituted for their bosses). It's understood broadcasters were surprised that Congressmen were familiar with issue. Before meeting, OBA held background meetings with NAB staff.

Equal time relief for 1964 elections will be weighed this week by Senate Communications Subcommittee. It meets to pass on 4 bills that were subject of hearings in June (Vol. 3:26 p2). Safest bet is on measure to grant 1960-style equal-time suspension for Presidential & Vice Presidential campaigns—S-251 and House-passed H. J. Res. 247. Though there's growing sentiment for extension of equal-time relief, chances are slim for following bills: S-252—permanent suspension for President & Vice President, Senators, Congressmen, governors; S-1696—complete repeal of Sec. 315 of Communications Act, introduced by Sen. Hartke (D-Ind.).

Next round of editorializing hearings has scheduled following executives (more are expected to be added): Sept. 18, John Tyler & Tom Martin, KFDA-TV Amarillo; Gerald Sanders, KZZN Littlefield, Tex.; Leon Goldstein, formerly WMCA N. Y., for American Civil Liberties Union; Sept. 19, Ben Strouse, WWDC Washington; Clarence Jones, WQIZ St. George, S. C.; Sept. 20, Harry Thayer, WGHQ Kingston, N. Y.

American Samoa ETV project has ordered nearly $1 million in TV transmitters & studio equipment from International GE, and $45,000 in microwave links & master TV antenna systems from Jerrold. IGE will supply transmitters for first 3 channels (6 are planned) and equipment for one main studio.

Constituents' queries, involving govt. agencies, are forwarded by congressmen with every imaginable kind of covering letter—but Rep. Beckworth (D-Tex.) has one of most unusual. It's handwritten, reads: "Please note, give consideration, help all possible, as facts justify, state status and return. Regards. Lindley Beckworth."

Group W is planning its 5th public service programming conference in Cleveland in early Nov. Last was held in Pittsburgh in 1961; before that San Francisco, Baltimore, Boston.

NEW & UPCOMING STATIONS: WNBE-TV (Ch. 12) New Bern, N. C. got program test authorization Sept. 4 for start as ABC-TV outlet Sept. 7. It's year's 7th new station, raises operating total to 641, of which 79 are ETV. It has RCA equipment in $790,000 plant on Park Ave., Glen Burnie Meadows, New Bern. Owners are Thomsland Inc. 50%, Nathan Frank 50%. Frank also operates N. C. radios WHNC Henderson & WCNF Weldon. Thomsland owners are Harold H. & Meredith S. Thoms, each 1/3 owner of WISE-TV, Asheville. Nathan Frank is pres. & gen. mgr.; Harold Thoms, vp; George Roesler, national sales mgr.; Don Pierce, station mgr. Base hourly rate is not available, but top min. rate is $80. Rep is Young Television.

* * * * *

In our continuing survey of upcoming stations, here are latest reports received from principals:

KCSM-TV (Ch. 11 ETV) San Mateo, Cal. has set a Feb. 4 target, writes Dr. Jacob H. Wiens, dir. of College of the Air for KCSM-FM & TV. Station will be in library complex of new $15 million College Heights campus. Bids for transmitter are expected to go out soon. Dr. Wiens will be gen. mgr. & chief engineer for KCSM-TV; Douglas B. Montgomery, ex-KOGO-TV San Diego, will be program mgr. & film buyer; Deyrol Anderson, ex-KQED San Francisco, operations mgr.

WNJU-TV (Ch. 47) Linden, N. J. plans to begin in spring of 1964, reports Pres. Edwin Cooperstein. It will aim programming toward Spanish-speaking & Negro population in N. Y. City area, but will also have Italian, Jewish, German, Polish and other programming. It hasn't ordered transmitter yet, offices have been established in Mosque Theatre Bldg., 1020 Broad St., Newark, where it also will have studios. Antenna will be on Empire State Bldg. Rep: National Time Sales.

New international TV-radio sales firm, Overseas Broadcast Services Ltd., will provide 2-way services—sales agents here for foreign stations & program producers and agents abroad for U.S. stations & programmers. A subsidiary international station rep firm, T.I.E. Sales Ltd., has been formed in partnership with Television International Enterprises Ltd., London. It will represent, in the U.S., stations all over the world. OBS has agreement with Halas & Batchelor Cartoon Films Ltd. to sell its animation product in U.S.; it will also serve as European circulation & advertising representative for "Television Digest" & "Television Factbook." Stephen A. Mann, former ABC International sales mgr., is pres.; Boris Frank, ex-mgr. of Screen Gems International Broadcast Div., is sales vp. Directors: James F. O'Grady, Adam Young exec. vp; Donald G. Softness, Softness Group (PR) pres.; John D. Hayes, formerly international vp of Erwin Wasey, Ruthrauff & Ryan. Address: 230 Park Ave., N.Y. 17; phone: Oregon 9-0560.

Obituary

Frank Falknor, 66, former operations vp for CBS-TV who retired in 1956, died Sept. 6 at Kingston (N.Y.) Hospital after long illness. He was pioneer radio engineer, joined network in 1933. He's survived by wife, son, 2 daughters.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington, D.C. 20006
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave., New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

Personals

New NBC vps: Robert Kasmire (corporate affairs); **Lawrence Grossmann** (national advertising & promotion); **Merryle (Bud) Rukeyser** (press & publicity).

John L. McClay, ex-vp & mgr., Gannett broadcast div., named operations dir., Taft Bcstg... **Charles Ticho** promoted to gen. mgr., N.Y. studios, Fred A. Niles Communications Centers.

Marshall Karp promoted to ABC-TV sales mgr., eastern div... **Harold Geary,** station clearance dept., ABC-TV, promoted to daytime sales service mgr.

William Rubens, NBC audience measurement mgr., promoted to newly-created post of research dir., Owned Stations & Spot Sales Div... **Dick Kaplan,** ex-D'Arcy Adv., appointed asst. research dir., CBS TV Stations.

Yale Newman, ex-ABC News, named news & public affairs dir., WTTG Washington... **Vic Reed,** KGO-TV San Francisco news dir., promoted to public affairs dir., KGO-TV-AM... **William F. Mitchell** promoted to news, programming & public affairs dir., WESH-TV Daytona Beach-Orlando.

Donald J. Badger, ex-promotion & merchandising mgr., WTEV New Bedford-Providence, named to sales staff, WLBW-TV Miami... **Arthur Perles,** ex-editor, "Radio-TV Daily," appointed MGM-TV press chief.

Tom Wright promoted to WTVT Tampa news dir... **William G. Garry,** ex-WBBM-TV Chicago news dir., appointed editorial dir., WBKB.

FCC Chmn. Henry speaks briefly during Sept. 12 opening of WHYY-TV (Ch. 12 ETV) Wilmington, also Sept. 17 during inauguration party for AWRT Washington Chapter, at Broadcasters Club.

FCC Comr. Loevinger speaks at Sept. 12 luncheon of Federal Communications Bar Assn. at National Press Club.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

11-IN. TV COMING FROM 3RD MANUFACTURER: In neat change of pace, fast-moving Curtis Mathes Mfg. Co. is entering The Great Tinyvision Race of 1963-64, will bring out own version of 11-in. personal portable TV—probably in time for Christmas selling.

This is real change of pace for Mathes, heretofore a specialist in TV-phono combinations and now moving rapidly into color. Becoming comfortably ensconced in what may be the 3 fastest-moving segments of TV market—combos, color & tinyvision—Mathes, with its unique way of doing business, may well be heading for major manufacturer status, despite its protestations that it wants to stay small.

Mathes now has own plastics plant in preparation for its entry into portable field, will manufacture cabinet as well as insides of new 11-in. set, as it does its furniture TVs. Tube of its 11-in. will be of new Shelbond variety, requiring neither bonded nor external implosion shield (see below).

Entire industry has been watching GE's 11-in. sales, and pronounces them good so far. It will also be scrutinizing reception of just-introduced Admiral 11-incher (Vol. 3:35 p7). There's little hope of any of the other majors coming up with 11-in. before Christmas; few can turn on a dime the way Curtis Mathes does. Tinyvision race, before it's over, could leave some major manufacturers—or Mathes—with good case of egg-on-the-face. But since it entered TV business, Curtis Mathes has tasted very little omelette.

SHELBOND TUBE MEETS WIDE APPROVAL: Curtain is going up on Act II of "How to Succeed in Picture Tubes Without Safety Glass," and first reviews indicate it may well be a hit.

Sampling of tube & set makers shows widespread interest in new Corning process for building tubes requiring neither external nor laminated implosion plate (Vol. 3:25 p8). Tube makers like it because it's simple manufacturing process. Set makers are interested because it holds promise of saving them money, while having many of advantages of bonded tubes.

Shelbond was Corning's answer to Owens-Illinois' Kimcode system, but it's good guess O-I could not care less, since Shelbond uses same bulb as Kimcode, available either from Corning or O-I. Kimcode, too, has gained some adherents recently, in addition to Curtis Mathes & GE, its first users. It's understood Emerson will switch to Kimcode on its 16-in. set, and that TraVler & Muntz are using it in some models.

Every tube maker is exploring Shelbond process, and it's good bet that several will go into production as soon as the special metal rims are available from Corning—which should be pretty soon. It will be available in 16-, 19- & 23-in. sizes, and, as soon as UL listing is obtained, in 11-in. Curtis Mathes, 3rd U. S. manufacturer to enter 11-in. field (see above), is expected to use Shelbond tube in its tinyvision. (GE's 11-in. uses its own Lamilite bonded plastic implosion shield, Admiral's uses Pittsburgh Plate's bonded glass shield.)

Tube makers would like to see end of multiple system of implosion shielding, and many can be expected to push Shelbond as ideal all-purpose system. As to set makers, so far they're studying it. . . very interested. Who'll be first to use it in large-size tube? Good guess is Admiral.

BEHIND CINERAMA—TELCAN DEAL: Through its acquisition of rights to British-developed Telcan home TV tape recorder (Vol. 3:31 p6, 32 p7), Cinerama Inc. hopes to become a major power in consumer electronics manufacturing & distribution.

While some American TV engineers were unimpressed with Telcan recorder, Cinerama found it "brilliant technical breakthrough" capable of rapid improvement. Here are highlights of Cinerama's arrangements & plans.

Cinerama's agreement is with Rutherford Engineering Partnership, Bermuda, which consists of 5 individuals who also own Nottingham Electronic Valve Co. and Telcan Co., both of Nottingham, Eng-

land. Under terms of contract, new firm will be established, to be controlled by Cinerama (believed to have 51% ownership), with the 5 members of Rutherford group holding balance of stock. New firm will have rights to manufacture, market & promote Telcan outside British Commonwealth and "certain common market countries."

Cinerama plans to manufacture recorder in its own plant facilities, principally its Cinerama Camera Corp. factory in Cal. It hopes also to offer tape recorder deck to TV manufacturers, but hasn't established whether it will supply hardware or manufacturing licenses.

First U. S. demonstration of Telcan will be held under Cinerama auspices "within several months." As to limitations of present model (fast tape speed, only 15 minutes' recording at a time), Cinerama spokesman told us: "The quality of the picture can be greatly improved rather rapidly. The combination of thinner tape and slower speed can provide more recording per reel."

Company says it hopes to have recorder on U.S. consumer market some time next year. It says price will be "within the consumer range—definitely under $500, possibly a lot cheaper," although it won't be committed to Telcan's estimated British consumer price of $173.46. Cinerama also says it plans to market low-priced home TV camera to make Telcan a sort of home TV movie system, but it will not handle home vidicon camera developed by Nottingham several years ago.

Among byproducts of Telcan, Cinerama says it's investigating industrial version of TV tape recorder at "slightly higher price."

Cinerama officials confirm our speculation that Telcan is basically a speeded-up audio tape recorder, equipped with special head. They said they also investigated recently announced "Videogram" LP disc sound-picture system in Wolverhampton (Vol. 3:35 p10), found it "excellent," but rejected it since it lacks Telcan's versatility—it can play back, but can't record.

Cinerama claims it bid against "some of the biggest companies in the world" for Telcan rights, won out not because it offered more money, but because of "our policy against enslavement" of Telcan owners. Cinerama's stock, traded on American Exchange, responded listlessly to announcement of Telcan pact late Sept. 3. It had closed Sept. 3 at 16 (it was 2nd most active stock), opening Sept. 4 at 16, its high for day, closing at 15 1/8, down 1/8, on a generally declining market.

Cinerama has now put itself on record, announced its tentative schedule—and the industry will be watching closely. One thing is certain: Home video recording fever is in the air. In next few months & years, you'll hear about more & more inventions which claim to make it practical. One or more of them will actually go to market.

PRICE TRENDS OF 15 TV BRANDS: Starting prices of consoles, combinations & color sets have taken far greater plunge during last 12 months than those of portables & table models. This is one trend that shows up sharply when we analyze tabulation of manufacturers' suggested list prices (or their equivalents) in new "TV Set Buyers' Guide," published last week as supplement to Sept. 7 "TV Guide."

Median price of low-end 19-in. portables, tabulation indicates, dropped 7% from Sept. 1962 to Sept. 1963, and 23-in. table models dipped 3%, while starting prices of 23-in. consoles fell 13%, combinations 21% and color sets 32%.

Table shows trends, rather than exact suggested list prices, but even so, it demonstrates price attrition in TV industry. It lists approximate retail price ranges of sets sold under 15 brand names (Admiral, Airline, Du Mont, Emerson, GE, Magnavox, Motorola, Olympic, Packard Bell, Philco, RCA, Silvertone, Sylvania, Westinghouse, Zenith). When compared with last year's Buyers' Guide (same brands except Airline), it gives interesting indication of what has taken place in single year.

In 16-in. category, 8 manufacturers are listed. Median starting price is $130 (all figures are rounded). Five manufacturers gave this $130 figure, while lowest was $100 (Emerson), highest $150 (Zenith). In last year's listing, only one 16-in. manufacturer was represented—GE, starting at $170 (now $130).

Of 15 manufacturers offering 19-in. portables, 6 have starting price of $130, which represents the median. Lowest is $100 (Silvertone), highest $160 (Du Mont). Of 14 makes last year, median was $140, with range of $120-$170.

In 23-in. table-model market, median starting price for 13 manufacturers offering them this year

is $180, ranging from $160 (Silvertone) to $190 (4 manufacturers). Last year, median was $185, and range of 11 manufacturers' low-end 23-in. table models ran from $160 to $230.

Half of the 15 manufacturers start their 23-in. console lines this year at $200, which is median starting point, while range is $150 (Airline) to $250 (2 manufacturers). Last year, median was $230, range $180-$260.

Median starting price of b&w 23-in. combinations has fallen more than $100 in 12 months. This year it's $380, although more set makers (4 of them) start their combos at $400 than at any other price. Combo starting prices range from $250 (Airline) to $595 (Du Mont). Last year, median was about $483, and range was $300-$700, with greatest number (3) beginning at $500.

In color sets (lowest priced table model or console), this year's median starting point is $450 (8 out of 15 brands), and range is $390 (Silvertone table model) to $599 (Du Mont console). At this time last year, the 13 brands of color sets ranged in starting price from $480 to $795, and median starting price was $650, although $695 (4 brands) & $595 (3 brands) were most popular starting points.

Of 10 brands of color combinations listed this year, median starting point is $895, with range of $500 (Olympic with phono but no radio) to $1,650 (Motorola 23-in. color combo). This time last year, only 3 brands offered color combos—starting at $995, $1,100 & $1,750. Here's low end comparison:

Category	Median Starting Price Sept. 1962	Sept. 1963	Starting Price Range Sept. 1962	Sept. 1963
16-in. portable.	—	$130	$ 170	$100-150
19-in. portable.	$140	130	120-170	100-160
23-in. table	185	180	160-230	160-190
23-in. console	230	200	180-260	150-250
23-in. combo.	483	380	300-700	250-595
color	650	450	480-795	390-599
color combo	—	895	995-1,750	500-1,650

TV-RADIO PRODUCTION: EIA statistics for week ended Aug. 30 (35th week of 1963):

	Aug. 24-30	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV...	165,184	167,041	131,631	4,561,470	4,278,367
Total radio	366,932	406,770	389,153	11,181,840	12,056,603
Auto radio.....	144,146	169,170	146,940	4,710,300	4,247,206

TOPICS & TRENDS

TV exports from Japan to U.S. set single-month record in July, when 47,418 sets were shipped, according to Japanese govt. figures. This was more than 14 times the 3,289 shipped in July 1962. For 1963's first 7 months, total was 194,780 sets, up fourfold from the 46,715 for comparable 1962 period and higher than total for entire year of 1962. For the 7-month period, Japanese exports to U.S. were equal to 5% of total U.S. b&w TV production during same period, first time figure has reached this proportion. (Japanese govt. has discontinued breakdown between transistor & linecord sets and between large- & small-screen sets, probably at request of Sony, largest exporter of transistorized TVs.)

Exports of transistor radios (6 or more transistors) continued to climb in July, while shipments of other types of radios extended their decline. For first 7 months of year multi-transistor radio exports from Japan to U.S. totaled 4,237,151 sets, up 13% from 3,776,517 in same 1962 period, while tube radios declined 33% to 599,069 from 895,735 and other radios (mostly "toys") dipped to 1,230,621 from 1,686,070. July exports (1962 in parentheses): Multi-transistor 787,688 (651,227), tube 90,238 (133,776), other 156,985 (201,389).

GE cut prices on 3 radios last week, reducing $16.95 gift-pack 5-transistor personal portable to $14.95, eight-transistor personal set from $29.95 to $19.95, AM-FM table model from $59.95 to $49.95. Dropped in was 13-transistor AM-FM portable at $49.95 (same price as GE's 8-transistor AM-FM-SW portable).

EIA—IMPORTS & UHF: Attention of consumer products manufacturers at this week's EIA fall conference in N. Y.'s Biltmore Hotel will be focused on 2 industry problems: imports & all-channel TV.

Association's Electronics Imports Committee, headed by Sprague Electric Chmn. Robert C. Sprague will make another effort to gain support of Consumer Products Div. for "constant & intensive" program designed to "prevent the destruction of the U.S. electronics industry by increasing imports from low-wage countries." Consumer manufacturers previously have been divided on this issue. Sprague will seek approval of all EIA divisions for appropriation to support industry-wide program.

On all-channel front, Consumer Products Div. executive committee will view world premiere showing of FCC film strip designed to educate TV service technicians & public on uhf & all-channel law (Vol. 3:35 p7). Group will also consider strategy, and resolution to pass on to FCC, aimed at repeal of 10% federal manufacturers' excise tax on all-channel receivers.

Consumer products group will consider 2 proposals for engineering tests: recommendation by Committee for Full Development of All-Channel Broadcasting that FCC sponsor tests of varying ratios between visual & aural power of TV stations; proposal by National Bureau of Standards' Dr. Kenneth A. Norton for tests of reduced separation between vhf stations.

Other highlights of EIA conference: (1) Naming of new consumer products staff director to succeed L. M. Sandwick. (2) Organizational meeting of new Distributor Products Div. (3) Formation of citizens' band equipment section within Industrial Electronics Div. (4) Talk by U. S. Office of Education's Dr. Ronald Lowdermilk on school electronic equipment. (5) Sept. 10 dinner address by Washington attorney Walter Slowinsky on "Legal & Tax Aspects of International Trade," with emphasis on anti-trust problems in dealings with European Common Market.

RCA's fall ad campaign, understood to cost $7 million, will be biggest ever, highlighted by unique national "RCA Victor Week" newspaper rotogravure promotion, one of largest distributions of its kind. As explained by RCA Sales Corp. ad & sales promotion vp Jack M. Williams, 8-page color roto insert, including local dealer listings, will be distributed with 211 newspapers Sept. 29—for total of 33 million copies, supplemented by direct mailings of 7 million additional copies. Williams said TV industry is headed for new sales record in 1963, "and we believe that when business is good we should increase our advertising."

Westinghouse expands consumer advertising this fall, including 23 full-page ads in national magazines, highlighting Instant-On TV and transistor stereo. First ads show Westinghouse TV and 8 competing makes, stressing that Westinghouse is only one to get picture instantly.

DISTRIBUTOR NOTES: Olympic Radio & TV named **Harry Green** pres. of subsidiary Olympic of S. Cal., a new post ... **Symphonic Radio & Electronic** appoints **Radio Specialties Co.**, 12775 Lyndon, Detroit, distributor for metropolitan Detroit. Symphonic had no distributor in Detroit area previously... **Philco** appoints **C. Dick Fuller** sales mgr. for Philco Distributors Cincinnati, succeeding **Richard Brenner**, resigned.

Ampex's 1963-vs.-1962 performance shows sales ahead 12%, earnings up 56%, pre-tax earnings up 63%, orders received 27% ahead and backlog about 21% ahead. Pres. William E. Roberts also reported that Ampex will introduce 30-35 new products in fiscal 1964, beginning next Feb. 1, termed new products the company's "lifeline." He said Ampex is seeking diversification, will invest some $70 million for R & D in next 5 years. Ampex's International Div. is growing faster than the domestic operation, he noted, adding: "To increase our penetration of worldwide markets Ampex is expanding its manufacturing facilities in England and plans a new manufacturing plant within the European Common Market—undoubtedly in Belgium." Company also is "making progress toward a joint venture activity in Japan."

Nippon Electric Co. has dropped out of group of 23 Japanese TV manufacturers & potential TV manufacturers who have agreed on proposed minimum TV export prices (Vol. 3:35 p11). NEC and its U. S. affiliates are principal defendants in anti-trust suit filed in N. Y. last month by Symphonic Electronic Corp., charging price-fixing conspiracy among Japanese TV manufacturers doing business in U. S. (Vol. 3:29 p7). There was some indication, meanwhile, that Japanese govt. may hold up approval of export price floors pending interpretation whether it may cause manufacturers or their U. S. representatives to run afoul of U. S. anti-trust laws. In N. Y., attorneys for NEC are expected to file motions in connection with Symphonic complaint next month, but any trial is probably at least a year in future.

RCA has introduced new outdoor TV & FM radio antennas which will be marketed via RCA Parts & Accessories distributors. Paul B. Garver, Parts & Accessories mgr., said each of 3 new TV antenna series is "ideally suited for both color and b&w reception," described them as "unique in that they utilize a cross-fed, stagger-tuned driven element assembly which gives us a series of exceptionally fine engineered vhf antennas [featuring] extremely high gain, flat frequency response, high front-to-back ratio."

First color sets by Setchell-Carlson feature plug-in circuits for easy servicing. Novel feature is plug-in chroma circuit, which can be removed for repair without interfering with b&w operation of set. Sets also have built-in picture tube booster, which can be adjusted to compensate for aging. Color consoles are priced from $696 to $716, with all-channel models about $20 higher. Featured in Setchell-Carlson b&w line is 23-in. TV-AM-FM stereo chassis designed for custom installation.

Sylvania TV factory unit sales rose 16% above year-ago period during 1963's first 7 months, Sylvania Home & Commercial Electronics Corp. Pres. Robert J. Theis reported. Factory stereo sales pushed 30% ahead, with consoles accounting for bulk of increased sales. Theis said that demand for Sylvania portable TVs, "especially sets with optional clock timers, have far outpaced production schedules."

International Electrohome reports its U. S. b&w TV sales volume has increased more than 200% over total 1962 volume since last spring, and that 55% of its 1963 TV production has been sold less than 45 days after its dealer introduction.

Packard Bell color price leader is $499.95, rather than $650 reported in recent roundup (Vol. 3:29 p8).

Trade Personals

John L. Burns, former RCA pres., headed investor group which purchased Rawlings Sporting Goods Co. for more than $10 million from A. G. Spalding & Bros., will become chmn. of new Rawlings Corp.

Harry A. Rioff retires as asst. treas. & asst. secy. of Minnesota Mining's Revere-Wollensak Div., will serve as consultant.

Douglas L. Hamilton elected Sylvania corporate controller, succeeding **Roy E. Drew**, killed in July 2 crash of Mohawk Airlines plane at Rochester, N. Y. (Vol. 3:27 p12).

Charles H. Resnick, Raytheon general attorney, also elected secy., succeeding **Wellington F. Scott**, resigned to join Boston law firm.

Oral D. Koch appointed gen. mgr. of P. R. Mallory's Mallory Electronics Co. Div., succeeding **William A. Clark**, who died last month.

Charles J. Hirsch, RCA staff engineer, reported recovering well from heart attack, having returned from Denver hospital Aug. 22 (Vol. 3:30 p11).

Electrical engineers' starting salaries are highest in engineering field, according to analysis of graduates of Ill. Institute of Technology. This year's electrical engineering graduates are receiving average monthly paycheck of $607, up from $585 for graduates just a year ago. Other engineering fields (last year's average starting pay in parentheses): chemical $585 ($558), industrial $582 ($584), mechanical $589 ($570), metallurgical $582 (no change).

A. R. Bernard Co. has been established in Chicago by ex-Argus Exec. vp Albert R. Bernard for marketing, financing and sales promotion of tape recorders and other electronic products, photographic equipment and allied items. Firm is located at 3512 N. Kostner Ave., will handle both U. S. and imported products.

MERGERS & ACQUISITIONS: Purolator Products is seeking control of **Tung-Sol** via offer to purchase from stockholders 200,000 common shares at $22 each. Offer expires Sept. 26. Tung-Sol, which closed on NYSE Sept. 3 at 17-1/4 and jumped to 22-1/8 Sept. 4 after Purolator's announcement, termed offer "an attempt to purchase effective control of Tung-Sol at a bargain price." Merger discussions between the 2 firms broke down last month (Vol. 3:26 p12). Tung-Sol Treas. Paul Hemschoot said Purolator's merger offer of one share of 4-1/2% convertible preferred stock for each 4 shares of Tung-Sol common "was grossly inadequate"... **Minnesota Mining & Mfg.** has purchased **Dynacolor Corp.**, Rochester, N. Y. film maker and processor, for more than $17 million in 3M stock. Terms: one share of 3M for each 5 of Dynacolor's outstanding common shares... **Delmonico International's** parent, Thompson-Starrett Co., plans to acquire for 60,000 common shares **Shaw Mfg.**, maker of decorator-style cabinets for TV-radio-phonograph and other combination home electronics instruments. Acquisition will be used to furnish cabinets for Delmonico's imported TV and stereo chassis. Shaw lost $499 on $431,453 sales in its 1963 fiscal year ended last Jan. 31.

Transitron Electronic suffered its 3rd successive annual loss with record deficit of $2.8 million in its 1963 fiscal year ended June 29 (see financial table). Pres. David Bakalar blamed loss on unfavorable pricing conditions in semiconductor industry but maintained that Transitron continues as a major factor, competitively & financially strong. Company's cash & marketable securities at end of fiscal year slipped to $6,299,463 from $6,681,356 a year earlier. Long-term debt, however, was reduced to $1,897,666 from $2,134,544. Ratio of current assets to current liabilities was 5.9 to 1 vs. 5.4 to 1 at end of fiscal 1962. Bakalar forecast a marked improvement in operating results in new fiscal year despite fact price competition and other adverse factors are expected to continue. Sales in fiscal 1963 dropped to $23 million from $28.8 million last year and record $47.8 million in fiscal 1960.

Electronics Capital Corp., San Diego-based small business investment firm headed by Pres. Charles Salik, will invest $1.25 million in equity capital and long-term loans in Energy Systems Inc., Palo Alto, Cal. maker of power, transmission and test equipment for use in communications, radar & nuclear fields. ECC closed its 1963 fiscal year June 30 with $21,136,000 committed to 20 electronics firms. ECC stockholders will vote Sept. 20 on proposed amendment to company's investment policy that would permit ECC to underwrite the sale or other distribution of its portfolio companies' securities. "As these companies develop to a point where public financing is considered appropriate to raise additional funds that may be needed," ECC noted in proxy statement to shareholders, "the corporation believes it can be of assistance in this effort."

Allied Radio posted record sales in its 1963 fiscal year ended July 31 (see financial table) but earnings dropped sharply because "during the year an unprecedented amount of merchandise was returned by our customers because it was either defective or didn't otherwise measure up to their expectations," reported Pres. A. D. Davis. "Among products affected were record changers, tape recorders, and high-fidelity equipment made by a wide range of domestic and foreign manufacturers." Davis said Allied's "basic accounting procedures" failed to disclose the "full scope of these and other problems" until after year's end, summed up: "Quality problems, in our own manufacturing division and with many of our suppliers, were at the root of the reduced earnings" which fell to $591,000 from $1.2 million a year earlier.

Reports & comments: Paramount Pictures, analysis, Newburger, Loeb & Co., 5 Hanover Square, N. Y. 4.... **Rollins Bcstg.**, prospectus, A. C. Allyn & Co., 44 Wall St., N. Y. 5... **Walt Disney Productions** and **Schlumberger (Daystrom)**, reports, L. F. Rothschild & Co., 120 Broadway, N. Y. 5... **Capital Cities Bcstg.**, review, Purcell, Graham & Co., 50 Broadway, N. Y. 4... **ITT**, review, Van Alstyne, Noel & Co., 52 Wall St., N. Y. 5... **Ling-Temco-Vought**, review, D. H. Blair & Co., 42 Broadway, N. Y. 4... **Walt Disney Productions**, report, Woodcock, Moyer, Fricke & French, 123 S. Broad St., Philadelphia 9... **Sprague Electric**, prospectus, The First Boston Corp., 15 Broad St., N. Y. 5... **Arvin Industries**, study, Courts & Co., 11 Marietta St., N. W., Atlanta 1. ... **Avco**, report, Hirsch & Co., 25 Broad St., N. Y. 4. ... **Jerrold Corp.**, report, Leason & Co., 39 S. La Salle St., Chicago, 3...

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Allied Radio Story on p. 11	1963—year to July 31 1962—year to July 31	$ 62,143,000[1] 51,963,000	— —	$ 591,000 1,187,000	$0.54 1.08	1,065,098 1,019,739
Emerson Radio & Phonograph	1963—39 wks. to Aug. 3 1962—39 wks. to Aug. 3	— —	— —	1,351,566[2] 1,787,431	.60 .79	2,270,497 2,270,497
Industrial Electronic Hardware	1963—qtr. to June 30 1962—qtr. to June 30	1,745,448 1,505,924	— —	44,379 6,673	.06 .01	737,294 737,294
Lynch Corp. (Symphonic)	1963—6 mo. to June 30 1962—6 mo. to June 30[4]	12,380,675 12,376,971	$ (165,942)[3] 139,336[4]	(121,060) 21,100	— .02	1,141,590 1,141,590
Microwave Associates	1963—9 mo. to June 30 1962—9 mo. to June 30 1963—qtr. to June 30 1962—qtr. to June 30	8,009,400 9,643,200 2,734,600 3,381,500	— — — —	37,700 365,800 1,900 99,900	.04 .36 — .10	1,020,600 1,012,100 1,026,200 1,013,700
Republic Corp.	1963—39 wks. to July 27 1962—39 wks. to July 27	34,667,662 31,985,093	— —	1,462,145 1,128,632	.48[5] .34[5]	2,443,448 2,443,448
Schlumberger (Daystrom)	1963—6 mo. to June 30 1962—6 mo. to June 30	147,542,000 127,131,000	17,977,000 17,843,000	9,402,000 9,748,000	1.76 1.83	5,333,587 5,333,587
Times-Mirror	1963—28 wks. to July 14 1962—28 wks. to July 14 1963—16 wks. to July 14 1962—16 wks. to July 14	80,083,014 74,881,704 46,079,694 44,369,255	— — — —	4,318,459[6] 2,307,000[6] 2,551,778[6] 2,144,295	.98[6] .53[7] .58[6] .49[7]	4,424,014 4,385,755[7] 4,424,014 4,385,755[7]
Transitron Story on p. 11	1963—year to June 29 1962—year to June 29	22,925,523 28,831,539	(5,706,776) (1,543,755)	(2,806,776)[8] (498,755)[9]	— —	7,503,368 7,503,368
United Artists	1963—6 mo. to June 29 1962—6 mo. to June 29	49,971,000 62,066,000	1,209,000 3,868,000	802,000 2,003,000	.44 1.11	1,805,542 1,741,473

Notes: [1]Record. [2]Before substantial non-recurring gain from sale of 86%-owned Emertron subsidiary to Litton Industries (Vol. 2:47 p11). [3]Before taxes & amortization of excess costs. [4]Restated to include operations of Cox Corp. [5]After preferred dividends. [6]Before $4,589,001 ($1.03 per share) non-recurring gain from sales June 29 of KTTV Los Angeles. [7]Adjusted to reflect Jan.-1963 2% stock dividend. [8]After tax credit. [9]After tax credit and special $265,000 credit.

Scripps-Howard Bcstg. "enjoys one of the highest over-all profit margins among TV-radio companies—22% after tax in 1962," noted Aug. 28 Merrill Lynch, Pierce, Fenner & Smith report, adding: "We currently estimate 1963 earnings in the $1.30-$1.40 range" vs. 1962's $1.20, "despite results of 58¢ a share in the first 24 weeks just equaling earnings of the like 1962 period." Broker also noted that "management is aggressively seeking an additional vhf TV station," said "such negotiations are continuous but no announcement is known to be imminent at this time." Scripps-Howard's West Palm Beach station, "unprofitable last year," report continued, "has been operating under an increased advertising rate schedule this year and the company hopes it will be profitable for 1963 as a whole."

Sonar Radio Corp., Brooklyn, N. Y. maker of citizen band radios, radio telephones, other electronic devices, more than tripled earnings in its 1963 fiscal year ended June 30. Profits climbed to $160,870 (40¢ a share) from fiscal-1962's $48,969 (12¢).

Magnavox-GPE merger rumors (Vol. 3:35 p12) continued to simmer last week despite statements from both that trade speculations were just that. "N. Y. Herald Tribune" on Sept. 1 forecast "formal announcement in a few weeks," commented "merger would make electronics sense—consolidation of consumer-oriented and govt.-oriented firms." "Tribune" said merger terms were one share of Magnavox for each 1.1 shares of GPE, "subject to market price movements." Magnavox told us: "Nothing to it. Talks have not gone beyond the preliminary stage. the matter has not even been discussed with our board, and merger terms definitely have not been discussed.

Sonotone charged the Air Force unreasonably high prices for nickel cadmium storage batteries, General Accounting Office claimed, seeking refund. GAO said Sonotone failed to disclose significant cost & production data before award of fixed-price contract, also later changed battery design without approval and delivered less costly product. Result: contract price of $1,901,200 exceeded costs by some $704,000, or 58%.

WEEKLY **Television Digest**
with
Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

SEPTEMBER 16, 1963

NAB LIBRARY

NEW SERIES VOL. 3, No. 37

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

COMMERCIAL LIMITS BATTLE NEARS CLIMAX: Two more broadcaster delegations—North Carolina & Missouri—call on congressmen. Oklahoma lawmakers send strong letter to FCC, expressing unanimous opposition. Another anti-limits bill is introduced. Cox says Commission might yield if Code had more subscribers (p. 1).

RATING COUNCIL WANTS AAAA ON BOARD: Group meets in N. Y., will again seek full participation of agencies & advertisers. Names of raters who've applied for accreditation disclosed. NAB reportedly close to cooperation with RAB on radio study. FTC's Sweeny says he's concerned about hypoing & precise audience claims (p. 2).

PAT WEAVER, PAY TV, PROGRAMS, MONEY. With Weaver as pres., new Subscription TV Inc. is in position to beef up programming. He gets $85,000, plus 1% of profits, plus stock option. NBC's Tom Gallery also hired as sports dir., at $62,500 (p. 4).

LOEVINGER STANCE—more new FCC member's thinking on FCC workload, organization, staff delegation, programming questions (p. 5).

Consumer Electronics

DIMENSIONS OF COLOR shown in unreleased survey of 17,590 families conducted for Sylvania; color owners enthusiastic about sets, but want more programs; consumers ahead of dealers in color interest; 40% of families have not seen color; Mansfield estimates 872,500 sets sold through 1962, predicts 1963 sales of 460-650,000 (p. 6).

1.5 MILLION COLOR TUBES will be required by set makers next year, RCA's Watts predicts; sees possibility of 25-in. rectangular sets by Christmas 1964, but no all-out production until 1965 (p. 8).

ALL-CHANNEL PUBLICITY PROGRAM stalled again as EIA members propose extensive changes in FCC film strip; Norman Jack Wayman named EIA consumer products staff director; manufacturer group plans vigorous import action (p. 8).

A LOOK AT DISCOUNT INDUSTRY IN 1970's by economist Dr. Ward J. Jenssen finds more and larger stores on the way, a decline in proportion of department and variety stores. However, expansion may bring its own problems to discounters—shortage of good store sites, maximum store size for optimum returns (p. 9).

COLOR & UHF GROWTH—AT THE RECEIVER END: Questions about color TV are probably the most numerous we get—and answers are probably hardest to find. Hence, we urge our subscribers in broadcast field as well as those in manufacturing-distribution-finance, to read report on color in our "Consumer Electronics" section (p. 6). Though it's devoted primarily to receiver distribution, this represents growth of stations' color audience, a fundamental subject.

Report is based on study by Sylvania, one of most alert in research field. Report is exclusive, and we're happy to present this addition to your information on vital development of color TV.

For similar reasons, development of new audience, we suggest you also read our report on all-channel-receiver activity at EIA conference, in "Consumer Electronics" section.

COMMERCIAL LIMITS BATTLE NEARS CLIMAX: There's growing expectation FCC will drop its proposal to limit commercials. For weeks, Commission has been buffeted by Congress in form of letters, speeches, bills. Much of reaction is result of unprecedented face-to-face campaign by broadcasters to bring their story to congressional delegations.

Missiles to FCC have been concerned not only with merits of issue, but also with question of agency stretching its statutory authority. Another bill (HR-8381) to forbid FCC from making rules on

length or frequency of commercials was introduced by Rep. Purcell (D-Tex.). It's virtually same as measure introduced by Rep. Rogers (D-Tex.) (Vol. 3:35 p4).

Two more state associations "marched on Washington" last week. Committees from North Carolina & Missouri associations called on their congressional delegations.

Sen. Ervin (D-N. C.) was especially receptive to his state's group. After broadcasters related their FCC problems, Ervin said it reminded him of story about lion's den: "All the tracks led in, none led out." Sen. Jordan (D-N. C.) also thought something should be done about commercial limitations. He said he would first have to "get together with his lawyer"—meaning Ervin. Latter was also very concerned with larger issue—that regulatory agencies were stretching their legal powers.

North Carolina broadcasters, 19 strong, split up into 4 groups to make calls. They carried individualized brochures, referred to rule-making as "bold extension" of FCC policies to "place broadcasters under govt. domination and control."

Each brochure contained total of TV & radio sets in use in each congressional district. Each also listed 6 reasons why proposal shouldn't be adopted; these were same arguments made by NAB in its original battle communique to broadcasters (Vol. 3:28 p2), including: "contrary to intent of Congress" & would "destroy free enterprise."

North Carolina members of House Commerce Committee—Reps. Broyhill (R) & Kornegay (D)—were also reported very sympathetic to broadcaster fight. About a dozen Missouri broadcasters called not only on their senators & representatives, but on selected congressmen from neighboring Illinois, including Sen. Dirksen (R).

Oklahoma Congressional delegation sent strong letter to Commission last week, as we indicated it would after visit by state broadcasters 2 weeks ago (Vol. 3:36 p5). Signed by senators & all congressmen, letter expressed "unanimous opposition" to proposal, noted that FCC hasn't exhausted present machinery, said it has never raised question of overcommercialization at renewal time for any Oklahoma station. Further, letter said, proposal is without legal foundation, citing 1940 Supreme Court decision (FCC vs. Sanders) in which Court held that Communications Act doesn't attempt to regulate business practices of licensee.

There was talk last week of trying to get a senator to introduce a bill similar to Rogers' measure. Among those mentioned as possibilities were Magnuson (D-Wash.), Pastore (D-R.I.) or Monroney (D-Okla.). But with feeling of guarded optimism, those closest to battle at NAB would like to see what FCC's next step is.

FCC Comr. Cox, advocate of commercial limits, told RAB Management Conference last week: "When NAB said there should be a limit of 18 minutes per hour for commercial time, nobody in the industry cried out censorship or rate regulation. Incidentally, some stations have told me they'd be happy if they could only sell the NAB limit...

"I understand that about 30 to 35% of the radio stations and maybe two-thirds of the TV stations subscribe to the NAB Code. I should think that if the NAB would come out with a more flexible Code, one that would take into account the daytime, the seasonal, the small market problems of radio—and then, if NAB could show probability of significant improvement in the level of subscriptions (but surely not 100%)—the FCC might be inclined to take a wait-and-see attitude about making the Code part of our rules."

Campaign by broadcasters now has included congressional calls from state associations representing West Virginia, Georgia, Tennessee, Oklahoma, North Carolina, Missouri. Virtually all efforts were coordinated with NAB.

RATING COUNCIL WANTS AAAA ON BOARD: Rating Council is making renewed effort to get full agency & advertiser participation in reform program by having AAAA & ANA represented on board when Council is incorporated. This reportedly is basic holdup in plans to file papers in Delaware for Rating Council Inc., as group met in N.Y. last week to review articles & bylaws. Articles can't be filed until proposed RCI can specify makeup of board.

Tentative board plans would give NAB about 5 members, plus one for each network, TvB, RAB, SRA, NAFMB, plus ANA & AAAA if they go along. NAB is aware that effectiveness of reform pro-

gram would be greatly enhanced if these groups participated. When Group W's Don McGannon, NAB research committee chmn., made last appeal, AAAA Pres. John Crichton clung to status of "observer" (Vol. 3:27 p3). AAAA & ANA representatives attended last week's Council meeting. In other developments:

(1) Council for first time disclosed names of 9 research firms which have applied for accreditation—ARB, Nielsen, Pulse, Hooper, Sindlinger, Trendex, Alfred Politz Research, SRDS Data, Trace.

(2) RAB's detailed proposal for radio methodology study was discussed. Some disagreements, not major, were aired. McGannon said there'd be discussions "to eliminate areas of uncertainty and differences." At that time, NAB's Research Committee would meet to decide, one way or the other, on co-financing study. RAB would like NAB to put up about $75,000 of total $200,000. NAB is anxious to conclude matter. Top NAB sources told us that meeting would take place in about 2 weeks, said they expect NAB to cooperate with RAB, but perhaps not come up with as much as $75,000.

(3) Council standards & criteria for all rating services were discussed, but not approved. Reason given: It was first time that many of the 2 dozen executives who attended meeting had chance to see them and they wanted more time. Changes in language, not substance, were also requested.

(4) Council has sent out its individual methods questionnaires to ARB, Nielsen, Pulse, Hooper, Sindlinger. Others will be sent shortly. When they're returned in Oct., they'll serve as basis for audit, which RCI will supervise.

(5) NAB Research Vp Melvin Goldberg addressed closed session of Radio-TV Research Council in N.Y., reviewed progress of Council. Later discussion centered around Harris Subcommittee staff proposal to have ratings expressed in ranges rather than in single estimates (Vol. 3:35 p4). Researchers expressed almost unanimous opposition to idea, considered adopting resolution to that effect.

(6) Harris Subcommittee published first volume of ratings hearings' transcript. It's 417 pages, covers testimony of all witnesses up to rating services—including networks, stations, FTC Chmn. Dixon, NAB Pres. Collins, others (Vol. 3:33 p2). Three more volumes are planned: (1) Testimony of all rating services except Nielsen; (2) Nielsen; (3) FCC Chmn. Henry, RAB Pres. Ed Bunker & Vp Miles David, Census Bureau witnesses, Collins' second appearance with McGannon. Subcommittee staff now expects to have complete draft of report, containing recommendations, ready for Subcommittee in Oct.

(7) Charles A. Sweeny, FTC Food & Drug Advertising Div. chief who's been responsible for Commission's ratings investigations, told RAB Management Conference: "...It has appeared to me that too many of you have lost sight of the real purpose of audience ratings, that is, to measure the listening audience... and measure it as accurately as possible with tools at hand. You may not appreciate, for example, how surprised I am by the indifference to hypoing. I am told over and over again, very casually, that is a natural and common practice and that results probably even out."

He paralleled ratings with claims made by companies for their products and whether these claims are "meaningful and non-deceptive." He said: "In the hypoing situation... we want to know whether we are actually determining, as precisely as possible, the real listening audience or instead only how effectively a giveaway program juiced it up." He also said that size of sample is not necessary criterion, that some small samples can be more accurate than large. He said he's also interested in how methodology has been followed and how results have been tabulated.

Sweeny called attention to FTC action requiring raters to state that their numbers are estimates. "Despite this and many other recent disclosures," he said, "many broadcasters do not seem to have been reading their mail. I still see in trade magazines and in daily newspapers the same bold, unqualified, precise audience claims that broadcasting stations were publishing a year ago... The FTC has a limited jurisdiction in this matter... But the Commission does have a very clear legal responsibility and firmly intends to discharge it as fully as possible...

"We are presently investigating the advertising of broadcasters and certain others to determine whether the claims are false and misleading. I cannot discuss those cases. I can say, generally, that we anticipate that advertisements based on special surveys will be given careful scrutiny. I can also ask you if you doubt that we are extremely curious to learn how certain broadcasters propose to justify the claims they are making, in the light of recent developments, when questioned by FTC attorneys [and FCC]."

PAT WEAVER, PAY TV, PROGRAMS, MONEY: Eyebrows shot up all over industry last week when new Subscription TV Inc. announced signing of Sylvester (Pat) Weaver as president. Reaction seemed to be: Well, now maybe they might get somewhere.

"The program's the thing." This truism of TV—be it pay TV, uhf, color, what have you—obviously was recognized by developers of new firm. They have money, are likely to get plenty more from public through $23 million stock offer (Vol. 3:33 p2 et seq.). Now, they may get the product. Pat Weaver's name is synonymous with successful innovation, particularly during his days as NBC chmn., when he created "Today," "Tonight," the "spectaculars" and other financial-artistic winners.

Weaver leaves chairmanship of McCann-Erickson Corp. International. He has 5-year agreement with STI, at $85,000 annually, plus 1% of company profits before Federal income tax (with ceiling of $165,000), plus option to buy up to 50,000 shares at 100% of fair market value at time of grant of option.

STI has also glommed on to Tom Gallery, NBC sports dir., will pay him $62,500 a hear as vp & sports dir. Vp Robert F. MacLeod gets $36,000 annually.

Also disclosed in filings with SEC are prices STI will pay stockholder Lear-Siegler for program selectors to be attached to receivers—$48.95 to $56.02, depending on quantity.

We hear STI has more impressive moves up its sleeve. Well, it's got Dodgers & Giants baseball, and public will pay something for that. Now, it's got Pat Weaver, who should be able to capture moneymakers, if anyone can.

STI also reported to SEC that Home Entertainment Corp. (Oliver Unger) had agreed to accept approximately $1 million offer. Home Entertainment had planned pay system in Santa Monica, now says it's gearing for Texas cities (Vol. 3:34 p4).

ETV's fantastic potential as teaching aid is highlighted in new book, "The People Look at Educational Television," published by Stanford U. Press (209 pp., $5.50). It's result of 2-year study under direction of Dr. Wilbur Schramm of Stanford, Prof. Jack Lyle of UCLA, Prof. Ithiel de Sola Pool of MIT. More than 30,000 interviews were conducted through grant from U. S. Office of Education. Operations of 9 representative ETV stations were also analyzed. Research showed that ETV viewers are not heavy TV users generally. Another book, "Broadcasting: The Canadian way," by Albert A. Shea, has been published by Harvest House Ltd., Montreal ($2 paper-bound, $4 cloth).

ETV does excellent job, FCC Chmn. Henry stated at start of WHYY-TV Wilmington Ch. 12 operation, evening of Sept. 12. And, he added: "There is no rule of govt. that says that educational & cultural programming have to be dull... Let's have the bland programming that delights the mass audience and the sponsor alike. But let's also have the symphonies, the classics, the great documentaries." Dedication ceremonies were broadcast from both Wilmington & Philadelphia studios. Audio was lost at former, so Henry decided to drive to Philadelphia, telecast from there. He & asst. John Cushman then drove back to Washington—arriving 4 a. m.

Senate Commerce Committee has approved 1960-style equal-time suspension for President & Vice President only, favoring House-passed H. J. Res. 247 over 3 other bills (Vol. 3:36 p5). Senate committee would grant suspension for 60 campaign days, not 75 as approved by House. Group also approved S-1193 to require parties who want to intervene in FCC hearing to do so within 30 days after notice of hearings in "Federal Register," compared with present deadline of 10 days before hearing begins.

WALA-TV Mobile is off FCC hook. Commission had proposed license revocation for station's alleged threats & pressures on advertisers. Station pleaded illness of owner W. O. Pape (brain hemorrhage, stroke, paralysis, age of 71), said he wasn't aware of goings on, reported appointment of responsible trustees. Nephew Wadsworth Pape was in charge during alleged misconduct, and Commission said that fact would be considered in connection with CP for WBVI-TV (Ch. 13) Panama City, Fla., in which the younger Pape is stockholder.

"Fairness" questions, including those from Rep. Harris (D-Ark.) (Vol. 3:36 p1), will be considered by FCC Sept. 18. Expectations are that Commission will issue "clarification"—but no basic change in position. Last week, NAB Govt. Vp Paul Comstock told Mich. Bcstrs. Assn. that FCC's July 26 statement on "fairness" created "utter confusion." He said there's "no evidence of widespread unfairness."

Broadcast journalists can take pride in their product today, but should strive for higher degree of professionalism, Theodore F. Koop, CBS Washington vp, told Radio-TV News Directors Assn. in Minneapolis last week. He provided 4 criteria: (1) Integrity & honesty; (2) objectivity, fairness & balance; (3) maturity; (4) sense of responsibility.

Second round of House editorializing hearings, Sept. 18-20, will hear from, in addition to those we reported last week (Vol. 3:36 p5): Sept. 18, Jesse Helms, WRAL-TV Raleigh; Sept. 20, Arthur Arundel, WAVA Arlington; Ralph Renick, WTVJ Miami.

Santa Maria, Cal. Ch. 12 has been granted Central Coast TV over competitor Santa Maria Telecasting. FCC based preference on program plans, likelihood of program effectuation, area familiarity, ownership-management integration, broadcast record.

Ely, Minn. CATV system & radio WELY have been sold for "in excess of $200,000" to North Central Video (Joseph Poire), Rochester, Minn., by WELY Corp. (V.T. Hallett), through broker Blackburn & Co. CATV has 1,300 subscribers.

Chicago CP for ETV Ch. 20 has been granted to Chicago Educational TV Assn., the first authorized to an organization with HEW Dept. ETV funds; it has $270,000. FCC also granted Ch. 36, Jacksonville, to Rust Craft Bcstg.

ABC-TV novel promotion: Bought 14 classified ads in N. Y. edition of "Life" on sale last week. For example: Under "professional & technical"—"Wanted: Rich criminal to match wits with millionaire detective. Apply "Burke's Law" Friday night, Channel 7, 8:30."

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington, D.C. 20006
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

Personals

Edward F. Ryan, WTOP Washington, elected pres., Radio-TV News Directors Assn. Other officers: **John Thompson**, NBC News, first vp; **Bruce Palmer**, KWTV Oklahoma City, TV vp; **Harry McKenna**, WEAN Providence, radio vp; **Lee White**, KROS Clinton, Ia., treas.

Lamont L. (Tommy) Thompson, ex-acting gen. mgr., KPIX San Francisco, appointed exec. vp, rep TvAR; he formerly was rep's Chicago vp.

Robert B. Cox, Metromedia art dir., promoted to creative arts dir... **Dave Diles** promoted to sports dir., WXYZ-TV-AM Detroit.

James Theiss, vp, Blair TV's BTA Div., formerly father of 3 sons, promoted to father of 6 children with addition of girl triplets.

Victor E. Ferrall Jr., ex-asst. counsel, Kefauver Anti-trust & Monopoly Subcommittee, becomes associate of Koteen & Burt, Washington communications law firm.

James A. McManus, Advertising Time Sales vp & N. Y. TV sales mgr., promoted to national TV sales mgr.; **W. B. Taylor Eldon**, vp & N. Y. radio sales mgr., to national radio sales mgr.

Maj. Gen. Albert H. Stackpole (ret.), vp, WHP-TV-AM-FM Harrisburg, elected pres., succeeding **Lt. Gen. Edward J. Stackpole** (ret.), named chmn.; **Cecil M. Sansbury** re-elected exec. vp.

Chuck Barris, ABC-TV daytime programming mgr., promoted to ABC-TV Western Div. dir. of daytime programming...**Len Goldberg**, ex-BBDO broadcast coordinator, appointed ABC-TV program development mgr.

Robert Brown, NBC press supervisor, news & public affairs, promoted to corporate information coordinator... **Bernard Munzelle**, ex-ITT Export Corp., appointed CBS International projects mgr.

Arthur Schatzow promoted to chief, FCC's Research & Education Div.

LOEVINGER STANCE—Cont'd: It was "Loevinger Day" in Washington Sept. 12. Newest FCC Comr. Lee Loevinger spoke first at luncheon of Federal Communications Bar Assn., was guest of honor at Broadcasters Club reception that evening.

The former anti-trust chief of Justice Dept. showed he's articulate, studious, affable. Speaking from notes at lunch, he made these points:

FCC is criticized for being slow, vague & vacillating, so he analyzed its workload. He noted that Commission processes about 740,000 applications yearly, with staff of about 1,300—more than 10 times as many applications as those handled by all other similar federal agencies combined, which have aggregate staff of 8,700. He also compared FCC load with work of courts, made it clear he thinks Commission has "an overwhelming mass of workload."

He's not much impressed with FCC reorganization plans of former Chmn. Minow or of FCBA committee. He said he "didn't follow" Minow's proposal of splitting FCC into a single administrator who would set policy and an adjudicatory court. Nor did he go for FCBA group's 3-layer idea: administration, policy, adjudication. Division of FCC will increase delay, he said, insisting that 2 or more groups can't work faster than one. He came up with 4 recommendations:

(1) More delegation to staff, giving Review Board more authority, letting it handle all kinds of cases.

(2) Formulate criteria on programming. He said he recognizes there are 2 schools—the "specific criteria" group which says FCC should aim to improve programming, and the "minimum criteria" group urging Commission to do as little as possible. Views he expresses in Lincoln, Neb. speech (Vol. 3:35 p2) show he leans toward former.

(3) Commissioners should be personally responsible for decisions instead of having separate staff write them.

(4) There should be continuing review of Commission procedures.

FCC itinerary: All commissioners go to N. Y. Sept. 24 for Chmn. Henry's IRTS speech. Then all except Henry take tour of military installations across country, ending in Los Angeles Sept. 28; Sept. 30-Oct. 1 inspection of land-mobile services in Los Angeles is also scheduled (with Chmn. Henry joining colleagues). Also planned is informal meeting with Los Angeles' ETV group—then back to Washington by Oct. 2. Henry plans to fly to Geneva about Oct. 6 for start of international space-communications allocations conference, will be back in about 10 days, possibly stopping in London for meeting with BBC & ITA chiefs. FCC delegation at conference, to last about 6 weeks: Former Comr. Craven, engineers William Watkins, Saul Meyers, Harry Fine.

Lee R. Zemnick returns to Jerrold, after leaving last Dec., as Community Systems Div. mgr.

Clair R. McCollough, Steinman Stations, elected to Broadcast Pioneers board; he's a former pres.

Jack Blume, Washington communications attorney, and Mary Platto, announce marriage July 12 in Monterey, Cal. He's widower with 2 children; she's widow with 2.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

DIMENSIONS OF COLOR—SYLVANIA'S SURVEY: Consumer & dealer attitudes toward color TV have been measured on unprecendented scale—with some surprising results—in unreleased Sylvania survey supervised & interpreted by Market Research Dir. Frank W. Mansfield.

It shows color set owners enthusiastic about their sets, but not about number & quality of programs. It implies consumers are far ahead of dealers in their interest in color; dealers, in fact, show up as relatively unenthusiastic lot. However, 40% of American families, it indicates, have never seen color TV.

Actual consumer survey was conducted by National Family Opinion, based on response of 17,590 families, chosen on scientific sampling basis, to questionnaires. In addition, TV dealers in 15 cities were shopped & interviewed.

Survey was completed early in 1963 and used in part as basis for Mansfield's color sales & production estimates in March 1963. He estimated about 872,500 color sets were sold to public (1.5% of survey respondents owned them) through 1962 and that retail sales would total 460-650,000 this year. Most of his projections are conservative, in comparison with claims made by others (see tables p. 7).

Only portion of survey which has been released (last May) showed that most color set owners were satisfied with ease of tuning and repair costs, and that average repair bill was $30.50 per year (Vol. 3:19 p7). Although some findings may now be somewhat dated, most are highly revealing:

Color set ownership: Of total color sets, 39.9% are owned by families with incomes of $10,000 or greater, 28.9% by $7,000-$10,000 income group, 16.7% by $5,000-$7,000 group, 9.9% by $3,000-$5,000 group, 4.6% by families with less than $3,000 income. Stated another way, 4.08% of respondents in top income group owned color sets, shrinking to 2.13%, 1.05%, .73% & .33% as income level goes down.

A full 40% of population has never seen color TV, survey indicates. Percentage of those who have seen color is greatest in large cities, lowest (41%) in rural areas. Pacific Coast residents have had greatest exposure to color (69% have seen), with Mid-Atlantic & East North Central next (65%), East South Central lowest (45%). Of non-color owners who have seen color program, 43.7% have viewed store demonstration, and nearly as many—39.9%—have seen it in a private home.

Consumers have fairly good idea of price of cheapest color set. A full 32% put it in correct range of 251-350% of cheapest b&w set, while 29% had deflated idea of color price and 31% thought it higher than it actually is. As a matter of fact, 29.2% correctly picked price range of cheapest b&w TV ($81-$120), while 29.8% picked bottom color retail price ($381-$480).

Average color set owner paid $617.20 for his set, and 30.5% bought set in appliance store, 30.1% in TV-radio store, 15.5% in dept. or furniture store, 12.7% in wholesale or discount house.

Color owners generally like their sets, but aim some criticism at programming. Reception of color was rated excellent or good by 92% of owners, reception of b&w on color set called excellent or good by 91% of owners. Some 28.5% of owners used set only for viewing color programs.

As to programming, 49% of color owners felt there wasn't enough color programming, while 48% thought there was enough (3% didn't answer). Some 52% said they "seldom or never" experienced tuning difficulty, 39% said "occasionally," 6% "frequently." A full 37% of those with unrepairable tuning problems blamed TV station rather than set.

How can color TV be improved? Largest group of owners, 35%, cited "more programs;" 2nd largest, 13%, cited type of program, 12% better transmitting & production, 9% color & reception, 7% tuning & adjustment, 6% cabinet or set.

Husband or head of family exerted most influence in purchasing color set, according to overwhelming number of responses (60%). Wife or homemaker was credited as deciding factor in only 14% of cases:

son, daughter or relatives, 9%; nobody in particular, 12%. Perhaps color owners' biggest tribute is in new-set buying intentions—89% said they'd buy another color set, 5% would buy b&w.

However, 19 respondents in survey were former color owners who had disposed of their sets. All of the sets had been purchased in 1960 or before, and were projected to represent 14% of sales through 1960. Reasons for getting rid of set: repair costs, 8 owners; investment too big, 5; reception quality, 3; not enough programs, 2; destroyed by fire, 1.

Shopping survey found dealers by-&-large a fairly diffident lot. Of stores in 15 cities, 12.7% didn't display color. Of stores which did, salesmen in 40.7% tried to sell RCA, 21.4% Zenith, 7.3% Admiral, 5.3% Magnavox, 4% Philco, 2% GE. Greatest percentage of salesmen pushed over-$600 consoles, and fully 73.3% refused to come down from original price quoted. Only 14.7% came down.

Salesman tried to sell interviewer color set in 88.7% of cases, but apparently many weren't sold on color themselves. As to their comments about quality of color reception, 42.1% were favorable, 68.7% neutral. As to service problems, however, 77.9% were favorable. Interviewers rated enthusiasm of salesmen's pitch as 52.7% neutral, 35.3% unfavorable, 30% favorable. Some 44.7% offered trade-ins on old b&w sets and 80% said they had no installation charge for color.

Dealers ranked color as more profitable than b&w—28.9% said their profits on color consoles were "good," and 9.6% called color table model profits good, while comparable b&w figures were 10.4% & 8.1%. Nevertheless, 27.4% said color console, and 25.2% said color table model profits were "poor," vs. 33.3% & 43% for b&w.

In only 20.7% of cases did salesman suggest purchase of color set, & 14.7% of salesman suggested buying b&w instead of color set. In response to statements by interviewers, 71.8% of dealers agreed color set price is "much too high," but with all other negative statements (poor color quality, poor picture, repair problems), majority of salesmen disagreed. But interviewers characterized only 31.9% of salesmen as enthusiastic about color, 28.1% favorable, 20% neutral, 9.6% negative.

Most color customers are "sold" before they enter store, survey indicates. Some 54.1% of retailers agreed that "customers come in and ask to see & buy color sets," while 34.8% said they "have to be sold color by salesman."

Based partly on survey data, Mansfield estimates color production, sales, inventories:

	Production	Retail Sales	Inventory (year end)	Cumulative Sales
Through 1956	100,000	75,000	25,000	75,000
1957	65,000	65,000	25,000	140,000
1958	60,000	60,000	25,000	200,000
1959	100,000	100,000	25,000	300,000
1960	150,000	125,000	50,000	425,000
1961	150,000	150,000	50,000	575,000
1962	410,000	297,500	162,500	872,500

Survey showed 15% of families expected to buy new TV sets in 1963. Of these prospective buyers, 9.4% said they would buy color sets and 40.8% said they'd consider both color and b&w. Interestingly, those who were considering color were fairly knowledgeable about color set prices. Biggest percentages of these (32%) estimated price ranges at $381-$480; 31% said $481-$630.

Mansfield gives widely varying projections of future color TV sales—conservative, median, moderately optimistic & optimistic—based on different combinations of variables. The following are his projections in terms of full range (from conservative to optimistic) together with the medians:

	Production		Retail Sales	
	Range	Median	Range	Median
1963	490,000-775,000	580,000	460,000-650,000	520,000
1964	540,000-1,105,000	700,000	530,000-985,000	660,000
1965	600,000-1,405,000	805,000	600,000-1,320,000	790,000
1966	680,000-1,765,000	980,000	680,000-1,700,000	960,000
1967	775,000-2,160,000	1,135,000	780,000-2,120,000	1,130,000

1,500,000 COLOR TUBES (ROUND) IN '64—WATTS: RCA anticipates demand by U.S. TV makers for at least 1.5 million color tubes next year—and it feels reasonably certain that the overwhelming majority of them will be 21-in. round tubes with 70° deflection.

So we were told by W. Walter Watts, RCA group exec. vp last week. "We are now soliciting the industry for forecasts of color tube needs for next year," he said. "It looks like the figure will be 1.5 million and above. We could have sold one million this year, if we could have built that many."

Timetable for finalizing of design of Corning's upcoming 25-in. rectangular 90° color bulb is still uncertain, but Watts indicated RCA's development of tube & circuit elements for it is progressing satisfactorily. "We're proceeding with all haste to get the engineering done and get the bulb, and we are most optimistic."

When will the new size be on market—in color sets? "If the bulb is available by the end of this year," said Watts, "I wouldn't be surprised to see a few 25-in. rectangular sets around Christmas 1964, but they'd be in the Rolls-Royce class. I don't think anyone will go all-out until 1965."

Changeover to rectangular tube—whenever it comes—is bound to cause some dislocations in color tube productive capacity, Watts explained. "We're now on a 6-day-a-week, 3-shift basis, and can't supply the current demand. When we do introduce it, it will cut down our productive capacity, as a result of the changeover, and because the new tube will be larger, heavier and will require more tests at first than our current product." He added that RCA's tube operations still have further potential for color expansion.

RCA will soon be joined in mass production of color tubes by Rauland and Sylvania, both producing 21-in. round 70° tubes, and by National Video, producing 23-in. rectangular 90° tubes for Motorola. Watts' 1.5-million figure was estimate of demand for color tubes next year, not color set sales. Because of larger number of manufacturers & dealers in color, and longer color set lines, sales potential probably is considerably below this figure, considering necessity of building up inventories.

"Biggest single stimulus to color," according to Watts, would not be shorter rectangular tube, but regular color programming by CBS.

On other topics, Watts had these comments:

Will all-channel law hurt TV business? "The way people are spending money these days, I can't believe that the cost of a uhf tuner will deter anyone from buying a new set."

Prospects for radio business: "I think it will continue to be a high-volume low-profit business for some time, but keeping its head above water. For American sets to regain leadership, we must leapfrog the Japanese with inventions which will make our sets smaller and cheaper—just as they leapfrogged us. Quite possibly, integrated circuits will provide the opportunity, although true integrated circuitry is still several years off in the consumer field. The component industry let us down in not keeping up with the Japanese in small, inexpensive components. If they can't do it for us, we're going to have to do it ourselves."

Outlook for consumer electronics: "I'm optimistic at least through mid-1964. If the tax cut comes through, business will be every bit as good as 1963. All of the economic indicators are favorable. The inventory buildup in steel is being wiped out. Housing starts are showing the right trend. Auto sales are good. People are making a few bucks more a week. It looks good."

Who's on first? "On a dollar basis we're selling more TV sets than anyone else, and I wouldn't be surprised if this were true on a unit basis, too. So what? It's not important, and we don't want to get in a fight with anyone. Business is fine, just as it is."

STILL NO ALL-CHANNEL PR PROGRAM: FCC's educational film strip on uhf went back to drawing board last week after preview showing before highly sophisticated audience—EIA's Consumer Products Executive Committee—at manufacturer assn.'s fall conference in N. Y.

The 15-min. slide & tape presentation—detailing history of uhf, results of FCC's N. Y. tests and devoting considerable time to antenna installation techniques—was criticized by set manufacturers as trying to appeal to too many audiences and lacking in "hard sell." It was too technical for consumers, they said, and not technical enough for servicemen. Some suggested that perhaps 2 films were needed.

Representatives of 3 companies—RCA, Warwick & Blonder-Tongue—volunteered to work with FCC staffers in helping to revise presentation. Manufacturers agreed "rough cut" presentation they saw would form good nucleus of film for education of distributors, dealers & field men. It also was understanding that any consumer-oriented campaign would not start until Jan., after fall selling season. Revisions undoubtedly will hold film up for at least 2 months.

Pamphlet on how to get all-channel reception, aimed at both trade & consumers, is now in preparation by Committee for Full Development of All-Channel Broadcasting (CAB), manufacturers were told. FCC representatives said that booklet probably would have to be printed privately, since initial information was that it can't be printed by Govt. Printing Office unless adopted as official FCC publication.

CAB's proposal for elimination of excise tax on all-channel sets—which will be submitted to FCC for inclusion in its legislative recommendations to Congress—was discussed by committee, which raised no objections. Other actions taken at EIA conference:

Norman Jack Wayman, former sales dir. of Industrial Electronic Sales Co., Falls Church, Va., and for 10 years sales mgr. for RCA consumer products at Washington's Southern Wholesalers, was appointed consumer products staff dir., succeeding L. M. Sandwick, resigned.

Strongest action to date on imports—backed by substantial appropriation—was taken by EIA board. Pledging more active stand, it approved import committee proposal to appeal to all companies within EIA for support. First action will be intensive study to determine which segments of industry are being hurt, and how much. Armed with facts, it could then press for action with Tariff Commission, Customs, Congress or in trade negotiations. Complementary study would determine what could be done to increase electronics exports.

Consumer Products Committee endorsed tests proposed by CAB technical committee, headed by Ben Adler, to determine best ratio of aural to visual power in TV transmission (Vol. 3:35 p7). CAB is expected to propose tests to FCC with eye toward changes in recent ruling which permits uhf stations to reduce aural power to 10% of visual, while keeping old 50% rule for vhf outlets—thereby complicating set manufacturing process and possibly adding to cost of receivers. Committee rejected proposal by Bureau of Standards' Kenneth Norton that it conduct tests of reduced separation between vhf stations, as contrary to spirit of all-channel law. (For EIA elections, see p. 11.)

A LOOK AT DISCOUNT INDUSTRY IN 1970'S: "Despite the huge share of total retail sales which discounters now hold—better than $7 billion by our estimates—the number of low-margin outlets in the U.S. today still appears to be well below the saturation point," in opinion of economist Dr. Ward J. Jenssen, Los Angeles consultant.

Discount movement is "one of the most phenomenal success stories in the entire history of American retailing" and it is still "far short" of point of "economic saturation," he noted in Sept. 9 "Discount Store News" analysis.

For every discount outlet today, there are 1.4 department stores, 3 shopping centers, 10 variety stores, nearly 13 supermarkets. Emphasizing that there is still ample "economic room for considerable amounts of further expansion by discounters," Dr. Jenssen pointed out: "If the same ratios which prevail today were to continue to hold as population expands, by 1970 there would still be fewer than 2,500 discount outlets in operation, along with almost 3,500 department stores, 8,000 shopping centers, and better than 30,000 retail food establishments. By 1975—at which time we could expect to see almost 35,000 supermarkets, 9,000 shopping centers, 4,000 department stores and 27,000 variety outlets—there would still be only 2,700 discount stores serving American shoppers."

But Dr. Jenssen doesn't expect today's ratios to hold. Far from it. By 1970, he expects "a significant shift in favor of both the discount outlet and the shopping center, along with a decline in the present proportion of supermarkets, department stores and variety stores." Here are discount gains he foresees in next 7 years: Ratio of discount stores to department stores—"could easily be 1 to 1" (vs. 1 to 1.4 now); to variety stores—"as low as 5 to 1" (vs. 10 to 1); supermarkets—"in the neighborhood of 10 to 1" (vs. 13 to 1).

It's not all clear sailing ahead into the '70s, however, Dr. Jenssen pointed out. "The major obstacle to further growth of discount retailing, of course, will be the scarcity of sound, strategic site

locations. Especially with the strong trend to multiple dwelling units—which means less population spillover into new geographic areas, more expansion in a vertical direction—discounters will soon find that good store sites are virtually non-existent."

Another potential trouble area for discounters, he believes, may develop from the fact that "along with representing a greater proportion of total retail establishments, we also foresee discount stores increasing significantly in size. Firm signs of the beginning of this trend are already quite evident."

Average discount outlet operating in 1961 was 23% larger in space than average low-margin store operating the preceding year, he pointed out. From 1961 to 1962, average size jumped another 12.5%. Even larger jump came last year. "The average store opened in 1962 was almost 44% bigger than all stores that were in operation in that year, better than 60% bigger than all discount outlets in operation in 1961; a whopping 99% bigger than those operating in 1960."

Summing up possible pitfalls for discounters, Dr. Jenssen said: "With population expansion moving vertically rather than horizontally into new geographic areas, virgin trading areas are not being created fast enough to enable discounters to fill the economic vacuum. As a result, low-margin outlets are expanding in size as well as in number of units. Somewhere along the line in this move to bigger units, of course, we will begin encountering the problem of 'maximum' size—the point of decreasing return. What happens then is difficult to foresee, but it will be most interesting to watch."

TV-RADIO PRODUCTION: EIA statistics for week ended Sept. 6 (36th week of 1963):

	Aug. 31-Sept. 6	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV...	119,304	165,184	121,666	4,680,774	4,399,593
Total radio	323,931	366,932	342,316	11,505,771	12,412,656
Auto radio.....	151,540	144,146	119,938	4,861,840	4,378,446

TOPICS & TRENDS

Component hi-fi industry factory sales will total around $70 million this year, Institute of High Fidelity Pres. Raymond V. Pepe indicated last week at opening of N. Y. High Fidelity Music Show. He said last year's sales—excluding tape recorders—were about $60 million and that industry's pace was running about 15% higher this year. Hi-fi show featured increasing amount of transistorized equipment, giving good evidence that many more components will be heavily transistorized by this time next year. Transistorized components are usually said to add 20-30% to prices—and they've met with wide acceptance to date. This is one reason why industry is looking forward to perhaps its biggest increase next year. FM stereo and trend to one piece receivers (tuner, pre-amp & amp) also are expected to increase both sales and dollars-per-unit.

Stepped-up picture tube activities and greater efforts in integrated circuits may result from Philco's decision to discontinue large-scale manufacture & marketing of transistors. Philco said this "product family is no longer profitable" because of "competitive product & pricing action." Lansdale Div. will undergo "major product reorientation," staying in semiconductor field through increased emphasis on microelectronics & integrated circuits. In another indicator of heavy transistor competition, International Rectifier Corp., in announcing sharply lower earnings (see financial table), blamed depressed prices of semiconductors.

Electronics industry revenues should climb to $15 billion this year from 1962's $13 billion sales, GT&E Chmn. Donald C. Power forecast. He noted that sales of consumer & industrial electronics are on the rise, but said military market would produce biggest increase—up about $1.5 billion to $9 billion. For GT&E this year, he predicted sales rise to record $1.4 billion from $1.3 billion, $100 million (some $1.32 a share) from 1962's $86.5 million ($1.15).

Ampex wins distinction of being first to offer home TV tape recorder—a $30,000 combination color TV-radio-phono-audio-video-recorder unit called Signature V and being marketed exclusively by (who else?) Nieman-Marcus, Dallas. The 9-ft.-wide home entertainment center. demonstrated last week at N. Y. High Fidelity Music Show, has Ampex VR-1500 portable closed-circuit Videotape recorder built-in, features Packard Bell color chassis and Cohu vidicon camera.

Long-range business planning is an increasing "must" as companies grow larger and more diversified and R & D costs rise, in opinion of Wendell R. Smith, ex-RCA, now pres. of Philadelphia-based Marketing Science Institute. "The electronics industry is a case in point," he pointed out, adding: "Because of rapidly advancing technology, the opportunities that exist in the field are almost unlimited. However, the cost of exploring these opportunities and developing products and services that would result in their realization is of such magnitude that even the largest firms in the industry are incapable of pursuing them all. Therefore, there is a problem of selection and the associated problem of allocating an essentially limited R & D effort over the opportunities of greatest promise. Hence, long-range planning becomes mandatory as the inevitable result of the increasing cost of pursuing new frontiers."

Lawrence G. Haggerty, pres. of Warwick Electronics, was elected EIA vp representing consumer products div., succeeding Robert S. Bell, who resigned last spring when Packard Bell left EIA (Vol. 3:25 p10). Other EIA elections: Norman A. Triplett, Triplett Electrical Instrument Co., named chmn. of new distributor products div.; Thomas Ure, Hardwick Hindle Inc., vice chmn.; Jack D. Hughes, EIA vp for division—all 3 to serve on board. Parts div. named J. Frank Leach, Amphenol-Borg, as div. rep on board, succeeding R. J. Grigsby, Grigsby Co.; Frank Randall, Amperex, semiconductor div. chmn., elected to board.

GE will lay off or transfer some 2,000 workers in next 12-18 months at its Syracuse, N.Y. facilities. Among these are about 1,000 employed by TV receiver dept. They're slated for layoff by late fall. "Changing technologies and demands of our customers were bound to result in a decrease in GE employment here," explained Syracuse employe and plant community relations Mgr. Reid L. Shaw. GE's Syracuse work force totals 15,000—down from peak of 17,200 in 1962.

Packard Bell introduces 2 new color combinations, at $994.95 & $1,195-$1,225, and b&w combos at $499.95 & $725-$750. Eight new stereo phonos were introduced, including $279.95 unit designed as cocktail table, occasional table or window seat.

Admiral has increased production of its 11-in. TV by 20% for remainder of year as result of better-than-anticipated orders at distributor open houses. Set is priced at $99.95 & $109.95, all-channel versions $119.95 & $129.95.

Telerecord Corp., Hollywood, Cal., will be formed early next year to merchandise home entertainment equipment and phonograph records by wire, Pres. Donald L. Orsatti announced. Company expects to complete by Sept. 16 a public offering of 200,000 shares at $1 par.

Magnavox color TV training clinics for dealers in 50 cities are underway, will be completed by early Nov., reports National svc. mgr. Raymond J. Yeranko. Each will last 2 days, include shop work on sets.

Westinghouse has opened 108,000-sq. ft. plant at Elkridge, Md. to manufacture integrated electronic circuits.

Trade Personals

Robert S. Alexander, former Wells-Gardner pres. & chmn. (Vol. 2:5 p10), ITT vp, and pres. since Oct. 1962 of ITT's new Arkansas electronics mfg. operation (Vol. 2:41 p10), joins Zenith as mfg. vp, succeeding **Donald MacGregor** who retires Oct. 1. Latter continues as a consultant.

H. Donald Nelson appointed GE distributor sales planning mgr. for entertainment electronic components, a new post.

John N. Latter, formerly Ampex controller, appointed Consumer Products Div. vp-gen. mgr.

Joseph S. Imirie, former Air Force asst. secy., joins Litton Industries as a vp.

Edward Weisl named sales mgr. of Industrial Electronic Hardware's subsidiary I.E.H. Mfg., succeeding **Ben Bawun**, resigned... **Joseph R. Mazzola** appointed mfg. mgr., Du Mont Labs' Electronics Div... **Robert Everett** named selenium operation R & D mgr., General Instrument Rectifier Div.

William A. Williams named Far East and Pacific gen. mgr. of ITT, elected pres. & a dir. of subsidiary ITT Far East & Pacific Inc.

Robert H. Jones named mgr. of GE's N.Y. news bureau, succeeded as L.A. news bureau mgr. by **Jack E. Schoonover.**

Randolph Bronson, Silicon Transistor co-founder & exec. vp for past year, elected pres. & chief exec. officer.

Obituaries

Fergus Sloan Sr., 60, Westinghouse vp & onetime mgr. of TV-Radio div., was killed Sept. 10 in auto accident in West Orange, N.J. He had been with Westinghouse since 1932, served during 1940's as asst. gen. mgr. of Westinghouse Radio Stations. He became corporate vp & gen. mgr. of Lamp Div. in 1956, post he held at his death. He is survived by widow & son.

John F. Allen, 72, retired AT&T ad dir., died Sept. 8 at Roosevelt Hospital, N.Y. He lived in Upper Montclair, N.J., was with AT&T from 1928 to 1955. He is survived by his widow and daughter.

Charles A. Peterson, 60, asst. to Sylvania's treas., died Sept. 7 of heart attack at his Greens Farms, Conn. home. He was apparently stricken while mowing lawn. He is survived by his widow, 2 sons, daughter.

DISTRIBUTOR NOTES: Olympic Radio & TV names **Harry Green** pres. of subsidiary Olympic of S. Cal., a new post... **Symphonic Radio & Electronic** appoints **Radio Specialties Co.**, 12775 Lyndon, Detroit, distributor for metropolitan Detroit. Symphonic had no distributor in Detroit area previously... **Krich-N.J.** names **Paul A. Hilton**, ex-Zenith & Du Mont-N.Y., treas... **Admiral** appoints **David H. Gorrell** and **Robert D. Trathen** regional sales mgrs. Former will cover distributors in Kansas City, St. Louis, Wichita, Peoria & Springfield, Ill. Trathen will cover Cincinnati, Columbus, Dayton, Charleston.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Electronic Research	1963—year to May 31	$ 2,206,453	$ 334,290	$ 166,290	$0.46	362,407
	1962—year to May 31	1,868,948	157,907	81,607	.23	362,407
Harvey Radio	1963—6 mo. to July 31	3,343,485	271,091	129,396	.16	808,413
	1962—6 mo. to July 31	3,468,672	328,468	155,507	.19	808,413
Hewlett-Packard	1963—9 mo. to July 31	85,474,000	—	5,494,000	.46[1]	11,186,962
	1962—9 mo. to July 31	81,504,000	—	5,407,000	.46[1]	11,024,501
	1963—qtr. to July 31	30,697,000	—	1,972,000	.17[1]	11,186,962
	1962—qtr. to July 31	28,620,000	—	1,961,000	.17[1]	11,024,501
International Rectifier	1963—year to June 30	17,289,000	—	484,865	.20	2,414,542
	1962—year to June 30	17,882,000	—	1,207,262	.50	2,414,542
TraVler Ind. Story below.	1963—qtr. to July 31	3,730,023	(150,037)	(84,537)	—	1,013,842
	1962—qtr. to July 31	5,214,000	159,563	82,563	.08[2]	965,658

Notes: [1]After preferred dividends. [2]Based on 1,013,842 shares outstanding July 31, 1963.

MERGERS & ACQUISITIONS: ITT's acquisition of **Bell & Gossett** has been approved by shareholders of the Morton Grove, Ill. maker of pumps, heating & refrigeration equipment (Vol. 3:16 p11). Acquisition, slated for completion by Sept. 30, involves some $47.8 million. Each of Bell & Gossett's 2,078,385 common shares will be exchanged for 0.335 share of ITT common and 0.07 share of cumulative preferred, 4% convertible series D. ... **Litton Industries** proposes to acquire **Adler Electronics**, if latter's shareholders approve, in stock exchange believed to total some $15 million. Litton would exchange about $15 of its common stock for each Adler share—except those held by Pres. Benjamin Adler and certain other stockholders who would get "substantially less." Transaction is expected to be completed within month, if promptly approved by Adler stockholders and California Corporations Commissioner... **Rheem Mfg.**, currently owner of 200,000 of **Roberts Electronics'** 560,000 outstanding common shares, has made offer to acquire remaining shares. Terms: one Rheem share for each 19 of Roberts initially, then additional shares in 4 half-year payments based on Roberts' gross sales over 2-year period.

Lab for Electronics seeks to increase its non-military business to 60% of total volume, racked up 32% in commercial sales in fiscal 1963 ended April 30—up from 27% in preceding fiscal, 1% in 1960 fiscal. Pres. Henry W. Harding forecast for 1964 fiscal "some promise in an atmosphere of greater competition than ever before." In first fiscal quarter ended July 31, Lab for Electronics increased earnings to $45,000 from $31,000 a year earlier despite sales slip to $13.2 million from $15.4 million.

First Japanese 11-in. portable is being produced by Toshiba, replacing its 10-in. set. New 114° tube is about one inch shorter than Japanese 12-in. tube. No export plans have been announced.

TraVler Industries opened fiscal-1964's first quarter, ended July 31, with $84,537 loss (vs. $82,563 profit year earlier) on 28% sales slide to $3.7 million from $5.2 million (see financial table). Pres. Joe Friedman attributed loss mainly to start-up costs for color production, sales decline to delayed release on shipments to large contract accounts. He forecast record sales & earnings for total fiscal year ending next April 30. Previous records: earnings, $706,227, fiscal 1960; sales, $25,065,078, fiscal 1962. Friedman previously predicted fiscal-1964 sales at $25-27 million. TraVler's color TV operation already is in the black, he said, and should produce some $5 million additional sales in current fiscal year. Shipments of all home electronic products rose sharply to some $2.5 million in Aug., are expected to run between $8.5-9 million in 2nd fiscal quarter ending Oct. 31.

Tektronix public offering of 540,000 common shares at $19.75 a share (Vol. 3:34 p11) was immediately oversubscribed. Of total offering, 100,000 shares were sold for the Beaverton, Ore. manufacturer of cathode ray oscilloscopes, 440,000 for selling stockholders. Tektronix earned $5,770,537 on $70,450,810 sales in its 1963 fiscal year ended May 25. Company has 8,072,700 outstanding shares.

Standard Kollsman has opened Los Angeles warehouse for uhf converters to speed service to West Coast customers. Warehouse will stock Model A converter ($39.95) and Model B ($29.95).

Reports & comments: AT&T, report, Shearson, Hammill & Co., 14 Wall St., N.Y. 5; analysis, Hallgarter & Co., 44 Wall St., N.Y. 5; review, Hirsch & Co., 25 Broad St., N.Y. 4; report, Woodcock, Moyer, Fricke & French, 123 S. Broad St., Philadelphia 9... **Cinerama**, discussion, Reuben Rose & Co., 115 Broadway, N.Y. 6... **Zenith**, analysis, Hornblower & Weeks, 40 Wall St., N.Y. 5.

NAB LIBRARY SEP 21 1963

WEEKLY

Television Digest

with

Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

SEPTEMBER 23, 1963 NEW SERIES VOL. 3, No. 38

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

OFFICIAL FCC 1962 TV PROFIT REPORT—up 31.5% to $311.6 million. Records broken all over, revenues up 12.7% to $1,486,200,000. Network time sales up to $521.5 million, national spot $539.5 million (p. 2).

'OPPOSING VIEWS' AIRED ON FAIRNESS, FCC telling Harris it's fairer to public & station to give prompt rulings on controversies, rather than wait for renewal (p. 2).

RATINGS' CHECK PLAN STIRS CONTROVERSY: Former investigator Richardson offers RAB conference 4-point validation plan—disturbs stations. RKO General will sponsor ARB's radio study (p. 3).

NEW RIDE ON PAY-TV TROLLEY starts, pay-TV operator Tom O'Neil doesn't expect profits for 5-10 years—but looks for revenues 3 times that of free TV. Football & baseball owners resume toll-TV talk-up (p. 4).

CONGRESS & EDITORIAL FREEDOM: House editorializing hearings produce articulate station pleas for less regulation. Reps. Moss & Younger still favor rules (p. 5).

Consumer Electronics

MORE FACTS ON COLOR MARKET from Sylvania survey: Heaviest color concentration in large markets and on West Coast; consumers tell why they bought color; dealers' attitudes & policies explored (p. 7).

COLOR TUBES—Admiral explores manufacture; Corning's 25-in. bulb on schedule, deliveries seen probable in first-half 1964; Sylvania says it will meet goal of 20,000 tubes this year; Rauland mass production soon (p. 8).

N.Y. GETS TOUGH ON ADS: State's new False Advertising Law provides civil penalties of $500 for each violation, is aimed at companies & persons who prepare ads. TV & radio stations and print media are exempt (p. 10).

RECORD TV SALES likely this year; color and b&w may reach 7.46 million, or 7.87 million including imports; imported radio sales may equal domestic product for first time, at 10 million each; domestic phono sales headed for 5.5 million record (p. 9). July TV sales slightly below 1962 figure, but recovery came in Aug. (p. 11).

NEW ARB-FACTBOOK SERVICE—UPDATED STATION COVERAGE: We are pleased to report the start of a new service for users of our annual Television Factbook—updated station coverage reports. Through arrangement with American Research Bureau, which supplies the station circulation data for the Factbook, we have begun distribution of revised station pages for those stations which have commissioned ARB to make new coverage studies since its last nationwide study covering all stations.

Revised ARB data are incorporated in map & tabular county-by-county information for the station, and copies of the revised page are sent to all Factbook users or any selected portion chosen by the station—such as ad agencies & advertisers. The first station to employ this new service is WMTW-TV Poland Spring, Me. (Mt. Washington, N.H.), through its rep Harrington, Righter & Parsons. Copies of WMTW-TV's new page, to be pasted over the old page in Factbook No. 33, are now in the mails to the groups selected by the station. A copy is enclosed herewith for information of Television Digest subscribers.

We are prepared to revise & distribute immediately new pages for all stations which have had such new studies prepared by ARB. For all stations wishing to commission new ARB studies from now on, ARB is prepared to make the studies in March for release approximately June 1, 1964. Our new 1964 Factbook No. 34 will be published in Feb. Therefore, studies conducted in March may be distributed by us in June & thereafter—as supplement pages to the new Factbook—to reflect the latest coverage information for the station.

We are happy to offer the service, as part of our effort to provide the industry with the latest possible coverage information. Further details available from Washington, 2025 Eye St., N.W.

OFFICIAL FCC 1962 TV PROFIT REPORT—UP 31.5%: Telecasting's powerful profitability drive resumed in 1962—we all knew that—but FCC's official figures now show exactly how good it was. It was fine: Income (profits) before Federal income taxes up whopping 31.5% from 1961 because revenues increased 12.7% while expenses rose only 8.6%. And there's every indication 1963 will be excellent year. For example, TvB just reported that 2nd quarter national spot billings were up 18.5% from 1962—and FCC reported that national spot accounted for more than half of 1962's time-sale increase over 1961. Earlier (Vol. 3:28 p4), NAB's study reported that telecasters estimated 1963 revenues would rise 4.9%.

CBS economist Dr. David Blank, one of industry's most astute analysts, tells us he believes 1963 will show further 8-9% revenue increase—but he doesn't estimate profits. He thinks networks will have about 8-9% increase, local about 5-6%, spot "well over 10%."

As for 1964, according to Dr. Blank, there should be "further substantial rise at all levels, if the economy holds up. If the tax cut comes, and I'm sure that it will, the rise is certain to continue." Under such assumption, he said, he'd expect 1964 increase to be about same as 1963's—or perhaps slightly less.

"Another observation I'd like to make," he said, "is that we have returned to the higher rate of growth in the industry, to the highest since 1957. This has occurred since the end of the 1961 recession."

Records were broken all over the place in 1962, according to FCC. Revenues hit $1,486,200,000, profits $311.6 million. Network time sales went to $521.5 million from 1961's $480.3 million, national spot to $539.5 million (exceeding network for first time) from $468.5 million, local to $242.5 million from $211.2 million.

All groups benefited. Networks bounced back to $36.7 million profit from dip to $24.7 million in 1961 from 1960's $33.6 million. Network o&o's went to $74.7 million profit from $62.3 million. All other stations totaled $200.2 million profit, compared with 1961's $150 million. Even uhf drove up strongly—57% reporting profits vs. 40% in 1961—their revenues up 9.6%.

Of stations reporting profits (362 vhf, 43 uhf). 21 (vs. 13 in 1961) showed profits over $3 million each, 33 showed $1.5-3 million (vs. 26 in 1961), 35 showed $1-1.5 million (vs. 29 in 1961). Profits under $25,000 were indicated by 38 (vs. 44 in 1961). Of the losers (86 vhf, 32 uhf), 19 lost less than $10,000 (vs. 17 in 1961), and at other end of scale only 2 lost more than $400,000 (vs. 5 in 1961). Gross of more than $8 million each was achieved by 19 stations, while 28 reported gross of less than $100,000 each.

For first time, FCC reported payments to proprietors, partners & stockholders—excluding dividends and other payments from surplus. Total of $11,115,068 was paid by 322 stations. Of the 132 stations reporting losses, 63 paid total of $1,304,128 to proprietors. Also, of the 132 losers, 118 reported depreciation expenses—totaling $7,812,562. Since total lost by the 132 was $11,247,642, it's obvious that little of red ink was caused by payments to proprietors.

Employment rose to 41,846 (networks 9,055) from 40,086 (networks 8,798) in 1961, 40,612 (networks 9,610) in 1960. Report is FCC Notice 40706, includes 15 tables. We'll be glad to get you a copy.

One of most important tables in report is the market-by-market tabulation for cities with 3 or more stations. It is reprinted & enclosed herewith as a Special Supplement.

'OPPOSING VIEWS' AIRED ON 'FAIRNESS': FCC's "fairness doctrine" remained controversial issue last week, and reasonable opportunity for expression of opposing views was exercised before Congress (see also p. 5):

(1) FCC answered letter of Rep. Harris (D-Ark.), defending its policy. Harris 2 weeks ago asked FCC to review & modify its "fairness" interpretation of July 26 (Vol. 3:36 p1). Commerce Committee chairman huddled with FCC Chmn. Henry after release of letter Sept. 20, but wouldn't comment for publication.

(2) In decision on "Life Line" controversy, Commission said it isn't necessary for stations to give free time in direct answer to paid viewpoint, but that it is station's responsibility to present contrasting views as it sees fit—as long as its efforts are "honest" & "reasonable."

(3) FCC answered letter from NAB gen. counsel Douglas Anello; he had asked FCC to rescind its July 26 statement. FCC said Anello's interpretation was "incorrect."

FCC's letter to Harris said it isn't wise to wait until renewal time to weigh station's fairness performance, as Harris suggested. It offered these reasons: (1) It's not fair to licensee to await renewal before resolving complaint because passage of time would work against him in presenting his side. (2) To wait would be contrary to "fundamental policy" of fairness doctrine providing that public be given opportunity to hear contrasting views on controversial issues of importance. (3) It would be "most unfair" to political candidates and "would militate against" the goal of an informed electorate.

Harris had asserted that Commission shouldn't apply doctrine to specific programs because it would lead to its involvement in day-to-day programming. Said FCC: "Whenever the judgment is made as to fairness, whether it be at the time of complaint or upon renewal, it may be necessary for the Commission to take into account the content of individual programs..." There may be no other way to resolve complaint, it said, stating that history shows this has not led to "improper interference." It also said most complaints turn on whether reasonable opportunities for contrasting views have been provided "without resort to individual programs."

On "Life Line" controversy, stations have been troubled because Citizens Committee for Nuclear Test Ban Treaty asked for free "fair time" to respond to anti-treaty program on paid "Life Line" series. FCC wrote WKUL Cullman & WARF Jasper, Ala.: "There is... no single method by which this obligation is to be met... In the good faith exercise of his best judgment, [broadcaster] may... decide upon a local rather than a regional or national spokesman—or upon a spokesman for a group [which] is willing to pay for the broadcast time. Thus, with the exception of the broadcast of personal attacks, there is no single group or person entitled as a matter of right to present a viewpoint differing from that previously expressed on the station." FCC emphasized station is not freed from responsibility because it can't find group to pay for contrasting view, but can meet its obligation through own judgment.

In letter to NAB's Anello, FCC said that "licensee is fully responsible for all matter which is broadcast over his station." It said Anello's letter asking Commission to rescind July 26 interpretation complained that it made fairness doctrine apply to on-air controversies where station is not directly involved (Vol. 3:35 p5).

Anello objected among other things, to provision that station must send transcript of controversial programs to all attacked persons & parties, said Commission "errs" when it attempts to lay down specific rules on fairness. On latter point, Anello got encouraging response: "We also recognize... that no guidelines can ever hope to supply the precise answer to all the various factual situations which may arise."

In related development, Chmn. Henry encouraged broadcasters to express opinions on controversial matters. He told Washington chapter of American Women in Radio & TV: "It is easier and more palatable not to deal realistically and in depth with the host of complex controversial issues that surround us... I would suggest to you that unless this trend is reversed, broadcasting will in large measure have failed in its journalistic mission."

RATINGS' CHECK PLAN STIRS CONTROVERSY: Robert E. L. Richardson, who did most of needling at ratings hearings as Harris Subcommittee staff attorney, shook up a few broadcasters at Dallas RAB Management Conference last week. He described 4-point program of ratings validation that he thought each station should undertake if it uses ratings. By week's end, there were some calls to rating services & to Washington attorneys as stations worried anew about their obligations.

"A disclaimer clause will not do," Richardson said. He referred to recent FTC-FCC statements (Vol. 3:24 p3) that broadcaster must "take reasonable precautions to insure that a survey which he uses in an advertising campaign is valid." If stations don't take precautions, they shouldn't use ratings at all until NAB "or some governmental unit" has system of auditing, he stated.

Now an Oklahoma attorney (planning to run for Congress next year) as well as ratings consultant, Richardson offered this program for "major operator" to follow: "First thing he should do would be to acquire the services of a qualified person if he does not have one within his own organization and send this person or persons to the rating service or services which he uses.

"He should have this person do a complete audit and analysis of a recent survey for his market. This person could be a certified public accountant, a statistician or another person acquainted with broadcast measurement research... He should completely tabulate every questionnaire, and in fact, reproduce the rating report in every detail.

"Second, the sample should be analyzed as it was drawn... as to the design of the sample and its execution in the field. Third, all weighing and editing procedures used by the rating company should be analyzed... Fourth, a certain number of the persons which the company claims to have interviewed for the survey should be re-interviewed on a random basis to ascertain if in fact the interviewing was done in the field."

Richardson also said he was "impressed" with RAB's proposed radio methodology study, said he also believed that it's an FTC violation to print ratings, shares or total home figures "as exact figures."

Major rater we've checked said 4-point plan would lead to "chaos." He said all broadcasters should have assurances that ratings were arrived at properly but that even if 10 broadcasters required this type of individualized validation, it would cut down on production, could lead to doubling of facilities & cost. He observed that about 430 TV stations & 1,200 radio stations buy ratings and that Nielsen & ARB each turn out more than 600 local TV reports a year.

Govt. source close to FTC-FCC ratings action said Richardson's program is fine statement of ideal validation, but speculated that even FCC wouldn't require this of individual licensees.

In other development, RKO General is identified as the major station group which will underwrite ARB's radio methodology study, as we disclosed 3 weeks ago (Vol. 3:35 p3). Study will be conducted in Detroit using personal diaries to measure both in-home & out-of-home listening.

This will be TV rater's first radio activity since 1952, except for recent tests in Baltimore & Washington. Personal diary technique differs in that it seeks to measure individual listening as opposed to family listening expressed in "homes." Two diary formats will be tested—one is radio-only, other will also measure TV, newspapers, magazines. About 2,800 total diaries will be placed. In addition, there will be 2 validating samples—for in-home & out-of-home.

Study will be conducted in Detroit's TV area. This, said Frank Boehm, RKO General research & promotion dir., will permit "analysis of radio's value as a complement to TV." Pres. Hathaway Watson said study "could result in a new syndicated local radio measurement, providing more complete, valid and reliable audience estimates than have been available before."

NEW RIDE ON THE PAY-TV TROLLEY: "Tempered optimism" is phrase which might cover Tom O'Neil's outlook for pay TV. RKO General chmn., in one of his infrequent news conferences (in Hollywood), said he doesn't think pay TV will be profitable for some 5-10 years—and that "everybody has oversold" the idea. However, he went on, he expects subscription TV eventually to produce 3 times the income free TV does.

O'Neil said RKO General expected to lose $4 million in its Hartford 3-year test, is prepared to lose $10 million, but that experiment is "well worth it."

Consequence of overselling pay TV, O'Neil said, is that everyone—notably Broadway producers—ask too much money for their output. He's also unhappy about failure of 20th Century-Fox & Universal to release films for Hartford.

With new Subscription TV Inc., heavily backed and boasting Pat Weaver as president (Vol. 3:37 p4), now moving toward closed-circuit cable pay TV, it's significant that O'Neil said he's considering closed-circuit, too. This isn't surprising, in light of fact RKO is a major CATV operator.

Weaver hasn't said anything yet, may be under wraps until SEC acts on STV's proposed public stock offer. When he does open up, he has enormous capacity for generating excitement. It will be intriguing to see whether he has his old magic—subdued during the 8 years since he left NBC.

STV's entry has unquestionably started new wave of pay-TV talk. For example, pro football teams are beginning to talk up pay TV in some form or another—perhaps theater TV—when current free-TV contracts run out. In Cleveland, Indians Pres. Gabe Paul reported he's negotiating with STV, said: "We're interested in some system—which one I don't know for sure at this time."

CONGRESS AND 'EDITORIAL FREEDOM': Handful of articulate broadcasters from small & large communities made strong & literate pleas last week for less regulation in editorializing, if not in other areas. At 2nd and probably final round of House editorializing hearings (Vol. 3: 29 p3), station men said unhampered on-air views were necessary to help keep communities informed, especially with declining number of newspapers and with fewer competitive newspaper voices in same community.

If broadcasters had any substantial effect on congressmen, it wasn't immediately discernible. Lawmakers seemed impressed as station operators recounted their policies & efforts to be fair. But Rep. Moss (D-Cal.), whose pending HR-7072 would make "equal time" apply to editorializing when political candidate is attacked or if his opponent were favored by station editorial, said: "Majority of broadcasters are responsible and fair, but it's never the majority that brings about the need for legislation." Rep. Younger (R-Cal.) is another who favors some sort of specified guarantees on fairness, chiefly because a station requires federal license.

Rep. Rogers (D-Tex.), chmn. of Communications Subcommittee, hasn't indicated his leanings. He asked most witnesses: If there were to be "guidelines," should Congress or FCC set them? If there had to be additional rules, broadcasters said, they favored Congress providing them. Rogers wanted to make clear at outset that hearings were not intended to harass industry, as suggested by some. He said hearings were started because broadcasters didn't know what was expected of them.

Highlight of hearings was testimony of Gerald Sanders, KZZN Littlefield, Tex., later involving statements from NAB & FCC. He said recent edition of sponsored "Life Line" show assailed signing of nuclear test ban treaty. Then came request for free "equal time" from Citizens Committee for a Limited Nuclear Test Ban Treaty. He called NAB, which advised him to grant request as a "practical judgment." Surprisingly, Moss & Younger, who favor tighter fairness rules, were aghast. They thought station went beyond its obligation. "I know of no effort to make you go beyond offering reasonable opportunity to answer," said Moss. And Rogers said he thought station would have been fair if it told Citizens Committee it had opportunity to pay for response.

FCC cleared up specific "Life Line" issue by week's end, in response to similar problem facing WKUL Cullman & WARF Jasper, Ala. It said under fairness doctrine station is free to make its own determination in providing contrasting views (see story p. 2).

NAB Pres. Collins issued statement to clarify its advice to KZZN. He said because of confusion over FCC's July 26 interpretation of fairness doctrine, NAB felt it necessary as practical matter to advise station to grant "equal time." Collins reiterated NAB's basic philosophy that "it is the broadcaster's integrity and his judgment from which real fairness must come."

Witnesses at editorializing hearings, in addition to KZZN's Sanders: John Tyler & Thomas Martin, KFDA-TV Amarillo; Jesse Helms, WRAL-TV Raleigh; Clarence Jones, WQIZ St. George, S. C.; Ben Strouse, WWDC Washington; Mitchell Wolfson & Ralph Renick, Wometco stations; Arthur Arundel, WAVA Arlington; Harry Thayer, WGHQ Kingston, N. Y.; Barry Sherman, WQXI Atlanta; Leon Goldstein, ACLU; A. Maxwell Hague, Broadcast Editorial Reports.

FCC CATV-MICROWAVE POLICY: FCC hasn't budged yet in its position that microwaves to serve CATV systems won't be granted unless grantees agree not to duplicate—30 days before & after—programs telecast by local station.

A couple of unusual situations have been before Commission—one of which was decided last week, another still pending. In first, Wentronics Inc. had a microwave to serve its Casper, Wyo. CATV system with Denver ETV station; Wentronics had accepted FCC's 30-day non-duplication condition—but Wentronics didn't want the condition to apply to its relay of Denver commercial stations. Sorry, said FCC, the condition applies to whole CATV system, not just to one microwave channel.

In Austin, Tex., 2 CATV operators are stringing cable—and fighting each other. Capital Cable Co. has microwave to get out-of-town stations, and it had accepted non-duplication condition. TV Cable of Austin isn't using microwave, has receiving antenna on KTBC-TV's 1,137-ft. tower; it advertises that programs won't be delayed. KTBC-TV has option to buy 50% of TV Cable of Austin, and it has asked Capital Cable not to duplicate, simultaneously, its programs with out-of-town signals. Capital Cable went to FCC, argued that KTBC-TV has put it at unfair advantage, is asking that 30-day condition be waived.

FCC also set for hearing the microwave applications of Minnesota Microwave Inc., to determine impact of its service to CATVs on KCMT Alexandria. At same time, however, Commission turned down petitions for reconsideration, by KLTV Tyler, Tex. and KTAL-TV Texarkana, of microwave grants to serve CATVs in their areas.

"Communications and the Community" is theme of Group W's 5th Public Service Programming Conference, to be held Nov. 11-13 in Cleveland (Vol. 3:36 p5), it's announced by Pres. Don McGannon. Sessions are expected to gather several hundred TV-radio executives, govt. officials, prominent educators, entertainers, press. Prior conferences—held in Pittsburgh, San Francisco, Baltimore, Boston—have set high standard for industry meetings. Programming vp Richard Pack is in charge.

State associations should have fulltime offices, Jack Williams, exec. secy. of Georgia Assn. of Bcstrs. told convention of Louisiana Assn. of Bcstrs. last week. He said: "Any success we may have had... is due to our 24-hour-a-day, 7-day-a-week, service to the small broadcasters, helping with their employment, legal & government problems, public relations, technical questions & license renewals." Such offices "can move swiftly" in opposing "federal encroachment," he said.

WFGA-TV keeps Ch. 12 Jacksonville, FCC ruled in final decision. It agreed with examiners' initial decision holding that applicant Jacksonville Bcstg. Corp. is disqualified for having attempted ex parte influence on Commission, but disagreed with them regarding applicant City of Jacksonville, said latter wasn't responsible for such under-the-table efforts.

Time to answer Pres. Kennedy's Sept. 18 TV-radio address on tax cut was sought quickly by Republican National Committee Chmn. William Miller, promptly given by the networks. Networks indicated they had intended to offer time for response.

Personals

John Lynch, former special projects div. program mgr., promoted to mgr., ABC News, Washington, reporting to bureau chief Robert Fleming.

Everett H. Erlick, AB-PT vp-gen. counsel, and **Sydney H. Eiges**, NBC public information vp, named co-chairmen of new Bcstg. & Adv. Div. of American Jewish Committee's Appeal For Human Relations, formed to combat bigotry and advance cause of human rights.

Harry E. Smith now heads GE's Syracuse broadcast equipment operations as mgr. of new Visual Communication Products Program (which also includes audio equipment); he moves from marketing mgr. of former Technical Productions Operation, which had been headed by **Robert L. Casselberry**, now mgr. of Planning, Standard Products, Communication Products Dept., Lynchburg, Va., with responsibilities in mobile radio, telecommunications, power line carrier.

James Robertson, ex-WTMJ-TV Milwaukee & WTTW Chicago, resigns as NET network affairs vp to become vp-gen. mgr. of upcoming Los Angeles ETV Station (Community TV of Southern Cal.)... **Rudy Bretz**, ex-UCLA ETV, named vp-TV systems planning, National Education Sciences Corp.

Caywood C. Cooley Jr., Jerrold community systems div. mgr., promoted to product planning dir... **Lawrence T. Pfister** appointed audio products mgr., Gates Radio.

Malcolm M. Burleson, Metropolitan Bcstg.'s engineering dir., elected vp, hq WTTG Washington... **Ira J. Goldstein**, Metromedia asst. gen. counsel, moves office to Los Angeles.

Donald F. Fischer, ex-WCKT Miami, named promotion mgr., KTVI St. Louis... **J. Kelson Weber**, Nielsen media research div. account exec., elected vp.

Thomas J. White Jr., ex-Avery-Knodel exec. vp, appointed gen. sales mgr. for radio, Adam Young... **Ransom Y. Place Jr.** promoted to radio sales service dir., Peters, Griffin, Woodward.

Donald J. Trageser, ex-asst. gen. mgr., radio KDKA Pittsburgh, appointed vp & gen. mgr., radio WEEI Boston.

George W. Bowe, asst. program mgr., WTIC-TV Hartford, promoted to head new TV-radio special programs div. for documentaries & public service.

Add TV golf splurge: (1) "CBS Match Play Classic," 32 leading pros teamed for tourney running weekly Dec. 28-April 5, 4-5 p.m. Sat., with $150,000 prize money —$50,000 to winning team. (2) Fourth Network Inc., 2301 W. 3rd St., Los Angeles, headed by John R. Vrba, ex-KTTV Los Angeles, starts with Frank Sinatra Tournament Nov. 9-10 on 125 stations, has Palm Springs Classic Feb. 1-2, USC-Ohio State football game, plans sports documentaries, general entertainment programs.

New CATV systems under construction: Gainesville, Fla., University City TV Cable Co., Box 13795, James L. Milliken mgr.; Decatur, Ala., Decatur Cable TV Inc., 1628 Fifth Ave. SE, Helmut Dieter mgr.

Feature article on CATV—what it is, its problems, etc.—was carried in Sept. 15 "N. Y. Herald Tribune."

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington, D.C. 20006
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

Add new TV uses, from address by James Quirk, publisher of "TV Guide": "Two years ago we received a letter from a lady in New Jersey who requested that we send her copies of all the August issues of 'TV Guide'. It seemed that the lady was due to become a mother, and the only way she could determine the stork's arrival time was to pinpoint the date of a TV show she had seen nine months previously. We sent the lady her magazines; she located her program and sent us a warm letter of thanks. Unfortunately, she never did tell us what show she had been watching that eventful day, so we can only guess. We think it was either 'Naked City,' or 'ISearch for Adventure.'"

ABC-TV was elated by viewers' response to its new-show debuts last week, as measured by 26-city Trendex report for Sun.-Thur., showing it leading all networks in ratings & share of audience each night of period. For 5 evenings, ABC-TV said its average rating was 18.7. share of audience 39.1, compared with 11.9 & 24.9 for CBS, 12.0 & 25.0 for NBC. On Tues. evening, ABC's rating was 23.3, share of audience 48.6. ABC introduced all of its new shows last week, and its network competition was largely end of summer schedule, but included some new CBS & NBC shows.

Portable broadcast Videotape recorder has been introduced by Ampex at $14,500. New transistorized VR-660 is similar to VR-1500, designed for closed-circuit use, except that output signal meets FCC standards for broadcast without additional equipment. Like VR-1500, it uses helical scanning and is incompatible with standard console broadcast recorders. Deliveries of unit, which weighs less than 100 lbs., are scheduled to begin early next year.

Portable video tape recorders, made by Machtronics and sold by Storer, now meet FCC standards. MVR-11, 68 lbs., sells for $13,850; MVR-15, 78 lbs., is $15,750. Henry J. Davis, Storer Programs, N. Y., heads broadcast sales.

Annual outing of Federal Communications Bar Assn. is set for Oct. 7, again at Washingtonian Country Club near Washington—golf, ball game, tennis, beer, dinner, etc.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

MORE FACTS ON COLOR TV MARKET: Dimensions of color TV's market, together with dealer & set-owner attitudes toward color, were presented exclusively in these pages last week (Vol. 3:37 p6) in form of highlights from Sylvania's color study, one of most exhaustive ever conducted. Here are some additional findings from the survey of 17,590 families, and interviews with dealers in 15 cities.

Bear in mind that Sylvania's survey was conducted early this year. In fast-breaking color TV market, many changes in parameters and attitudes could well have occurred since then. It's understood, in fact, that Sylvania Market Research Dir. Frank W. Mansfield is updating his projections of color set sales. We will report them as soon as they're available. Among survey highlights:

Color set ownership: As might be expected, ownership is most heavily concentrated in larger cities—32.3% of color sets were in cities with population of 2 million or more, 29.7% in cities of 500,000-2 million, 18.6% in cities of 50-500,000, 9.5% in cities of 2,500-50,000, and 9.9% in rural areas. In cities of 50,000 and above, concentration of color sets was proportionately greater than population distribution—in smaller cities & rural areas it was less. In other words, color ownership per capita increases with increasing city population.

Greatest percentage of color sets are located in East North Central area (29.9% of them are there), followed by Pacific area (20.9%), Middle Atlantic (17.5%), South Atlantic (8.7%), West South Central (8.4%), New England (5.7%), West North Central (3.8%), Mountain (3%), East South Central (2.7%). However, greatest density of color sets, on per-population basis, is in Pacific area, where 2.69% of respondents had color sets, followed by East North Central (1.95%), and New England & West South Central (1.42% each).

Exposure to color TV: Higher income families are more likely to have seen color TV programs—77% of those in $10,000-&-up bracket have seen color, and percentage declines steadily with decreasing income brackets to 39% for those who make less than $3,000 a year.

Why people like color: Comments by color set owners on what they like most about their sets were placed in following general categories: Color & reception, 35% of respondents; adds interest to viewing, 30%; nature-travel-scenery, 22%; enjoy it generally, 8%; movies, 5%; sports, 3%.

Why people buy color: Survey attempts to classify reasons for buying. Under general grouping of "favorably impressed," 24% of owners are listed, with circumstances broken down this way: saw in friend's home, 7%; demonstration, 7%; other, 10%. "Economic reasons" are given for 27% of purchases, with this breakdown: old set worn out, 15%; other, 12%. "Progress of art" was reason for most purchases (38%), broken down this way: color now interesting, enjoyable, 21%; color has been improved, 6%; more color programs, 11%. "No particular reason, just wanted one," accounts for 19% of purchases. Some 5% were received as gifts.

Dealers' displays. In 15-city shopping tour, interviewers counted number of color sets displayed by dealers, as compared with black-&-white. Los Angeles was No. 1 in ratio of color-to-b&w sets displayed (N. Y. ratio wasn't given), where 16.6% of sets counted by shoppers were color. Boston was next, with 15.2%, followed by Dallas (13.7%), Denver (12.9%), Indianapolis (12.2%) & Pittsburgh (10%). In remainder of cities, fewer than 10% of display sets were color.

Reception in stores. Interviewers weren't satisfied with quality of color pictures displayed in stores. In only 10% of cases did interviewers have favorable opinion of color pictures they saw in stores; opinion was unfavorable in 17.3% of cases, neutral in 76%. Nevertheless, salesmen's competence won 70.7% favorable vote from interviewers.

Service contracts were mentioned by 76.7% of dealers. In 34% of cases, contracts were compulsory; in 26.7% recommended; in 17.3%, available but not recommended. There was no extra charge

for contracts in 49.3% of cases. In others, charge was about equally divided above & below $35 (15.3% vs. 16.7%).

Dealer service on color: Fewer stores repair color sets than b&w. While 40.7% of dealers said they made their own b&w repairs, only 30.4% said they serviced color. Among reasons for not offering color service: Arrangements made directly with manufacturer or his representative (33%); cheaper to subcontract (31.8%); too costly to maintain service dept. (19.3%); special training required for servicemen (5.7%). However, those who did color servicing were more likely to make a profit on them than on b&w—25.5% of stores said b&w repairs were a profitable operation, and 29.3% found color repairs profitable.

COLOR TUBES—ADMIRAL AND OTHERS: Those rumors you've been hearing—that Admiral is exploring possibility of producing color tubes—are true. Admiral officials give "no comment" reply when asked, but it is known that company has hired Marvin Rathfelder, ex-Rauland special products mgr. and onetime National Video plant mgr. His working title is said to be "vp in charge of color tube plant."

It's understood that no decision has been made, but Admiral's exploration results from dissatisfaction with present ration of color tubes and prospects of continuing color tube shortage for some time. Color tubes are on allocation, and many large set makers—including RCA Victor—aren't getting as many as they'd like.

If Admiral does go into tube business, it's understood, it would manufacture rectangular color tubes only—no black-&-white. It probably would take Admiral at least 2 years to get going, and by that time switchover to 25-in. rectangular tube would have occurred (Vol. 3:37 p8).

Seriousness of Admiral's intentions aren't known. It would take at least $10 million and possibly 100 scarce engineers to put anybody in color tube business today. It's no secret that all 3 experienced tube makers now tooling up for color tube production are having more difficulties than they'd anticipated—gearing up to produce color tubes is almost indescribably difficult operation. Here's how color picture tube situation stands as of this moment:

(1) Corning Class Works is "on schedule" in its development of 25-in. rectangular 90° color bulb. Based on its announcement to set manufacturers July 1962 (Vol. 2:30 p7), this means bulbs could be delivered starting some time between Jan. & Aug. 1964.

(2) Sylvania says it will meet its goal of 20,000 color tubes during 4th quarter of this year, although there are reports it has lowered its sights to 15,000. It is currently making color tubes in small quantities.

(3) Rauland expects to reach volume production of color tubes "in a matter of weeks," according to Zenith Pres. Joseph S. Wright. He also reiterated Zenith's goal of 200,000 color set sales this year.

(4) National Video conceded it's still having difficulty producing 23-in. rectangular 90° color tubes for Motorola, and that it had cut back initial production because rejection rate was 50%. Motorola, now 6-8 weeks behind schedule on 23-in. color sets, now says it's "moot question" how many will be delivered in time for Christmas.

(5) RCA hopes to produce close to million color tubes this year, sees demand for more than 1.5 million in 1964 (Vol. 3:37 p8).

National Video's problems were explored during stockholders meeting in Chicago last week. Pres. Asher Cole explained difficulty is still "cross-contamination between colors and lack of adherence of the dots to the screen," but added: "We are beginning to see daylight and we feel that the major portion of the expense of getting into color tube business is behind us." When rectangular tube is in production, he said, it will cost perhaps $5 more than conventional 21-in. round color tube.

In its black-&-white business, National Video reported improvement—having turned out 232,575 tubes in 3 months ended Aug. 31, up from 227,447 in same 1962 period.

In reporting that 25-in. rectangular bulb development is progressing on schedule, Corning Electrical Products Div. Vp-Gen. Mgr. Allen W. Dawson said program will cost more than the $4 million

originally estimated. At time of original announcement of rectangular color bulb development program, Corning told set makers bulb would cost them $20-$25, compared with $15 for current round color bulb.

Dawson, whose business hinges on astute prediction of trends in TV, made these observations about 3 phases of color & b&w market:

(1) "Color business is great, almost unbelievable—much better than most people realize it is."

(2) "Tinyvision could be awfully good next year, with sales of American small sets running between 500,000 and one million. Incidentally, American tube manufacturers pay less for U.S.-made tinyvision bulbs than Japanese tube manufacturers pay for Japanese-made tinyvision bulbs."

(3) "The Shelbond picture-tube concept [requiring no safety glass] seems to be gaining great acceptance. But we still think the twin-panel bonded tube is the finest picture tube made." Meanwhile, Owens-Illinois has developed new version of bare-faced tube, Kimcode III, which—like Shelbond—does not require fiberglass sleeve around funnel.

* * * * * *

Motorola still anticipates record 3rd quarter sales & earnings, despite fact that production troubles with 23-in. rectangular tube have delayed output of its new color sets by 6-8 weeks, Pres. Robert W. Galvin reported. "Adverse effects of the delay," he said, "have been offset to a considerable degree by other factors"—such as "excellent" volume by semiconductor & communications equipment divs., "splendid" demand for radios, "pickup" in alternator business, and good acceptance of b&w TV line. Galvin also forecast record 1963 sales, said earnings would show improvement over 1962's $3.03 a share (before a 25% capital gain).

RECORD TV SALES LIKELY THIS YEAR: Enough of year's sales results are in to warrant guarded prediction that 1963 could well set all-time record for TV unit sales. To do so, it would have to surpass boom year of 1955, when distributor-to-dealer sales totaled about 7.45 million (including color). There's growing belief this may happen.

It all depends on color sales. If they reach 750,000 this year, record will probably be set. This is based on our assumption that b&w sales will total 6.71 million this year, which seems probable on basis of preliminary 8-month sales figures, which show b&w distributor-to-dealer sales at 3,941,000, up about 6.5% from last year's 3,692,000. Although TV sales for last half of 1962 were excellent, gain of at least 6.5% should be maintained for rest of year—due in large part to popularity of 11-in. sets.

Total TV sales may well run to about 7.87 million this year, if you include imports—making 1963 far-&-away biggest TV sales year, since there were no TV imports during record 1955.

Sales of domestic radios (excluding auto) should wind up at about 10 million this year, 15% short of last year's 11,757,000. At the 8-month point, distributor radio sales are about 16.5% behind last year—5,471,000 units vs. 6,571,000. Radio sales for rest of year probably won't lag as far behind 1962 as they have during first half, because current radio slump had its beginnings in last year's 2nd half. Trend is showing already, with preliminary Aug. distributor sales estimate of 838,000 radios, just 1% below the 849,000 sold in Aug. 1962.

Sales of radios actually will set all-time record this year, if you include imports. Total will probably be around 20 million sets (excluding auto & "toy" sets), marking first time sales of imports have matched domestic product.

Domestic phono sales are headed for record, too—due to wind up year at about 5.5 million, or 15% ahead of last year's 4.84 million at distributor-to-dealer level.

In TV, sales were below comparable 1962 month for first time in July, according to EIA figures. Preliminary estimates, however, indicate that Aug. showed gain again, its 536,000 distributor sales being about 3.5% ahead of Aug. 1962's 518,000.

TV inventories at end of Aug. were in excellent shape. At manufacturer & distributor levels, total stocks were 8% below year-before figure. Radio inventories were also down about 8% in face of 16.5% decline in sales. For official EIA 7-month figures, see p. 11.

N. Y. GETS TOUGH ON ADS: "False advertising in the conduct of any business, trade or commerce or in the furnishing of any service in this state is hereby declared unlawful," declares N. Y.'s new False Advertising Law which became effective Sept. 1. Statute is all-embracing, gives Attorney General Louis J. Lefkowitz "an additional strong weapon with which to combat the false and deceptive practices which continue to plague consumers and honest merchants and service people," and likely will be trailblazer for similar legislation in other states.

False ad statute is "aimed directly" at companies and people who prepare ads, empowers attorney general to take violators to court for civil penalties of $500 for each violation. TV & radio stations, as well as print media, are exempt. Law is gunning for ad preparers, includes in-store ads, signs and circulars, and it leaves them little room to be other than factual.

N. Y.'s law defines false advertising comprehensively: It means advertising, "including labeling, which is misleading in a material respect; and in determining whether any advertising is misleading, there shall be taken into account (among other things) not only representations made by statement, word, design, device, sound or any combination thereof, but also the extent to which the advertising fails to reveal facts material in the light of such representations with respect to the commodity to which the advertising relates under the conditions prescribed in said advertising, or under such conditions as are customary or usual."

Lefkowitz amplified: "This all-embracing definition makes the honesty of an ad the test of its lawfulness. Failure to reveal essential facts becomes as important as the use of outright falsehood or deception; inadvertence on the part of the advertiser is as fatal as intentional misleading."

We spoke with Albert G. Seidman, attorney in charge of FTC's N. Y. office, on importance of new legislation. He told us: "This law is particularly important in N. Y. because FTC has jurisdiction here over large retailers who are in interstate commerce but who are forced to compete with local retailers, many of the cash-and-carry type, who do not come under our jurisdiction." He noted that "this is the first state law with the civil penalty provision," forecast "it would seem only logical that many other states will follow N. Y.'s lead." He pointed out that many states have criminal statutes covering false & misleading ads, but "being criminal statutes, they are cumbersome to enforce. Further, the authorities, already burdened by criminal cases, do not in many instances have the time to get into these commercial crime cases." He said N. Y.'s law "fills a need we are most conscious of," added that it could be applied as well to service industries "generally not subject to the FTC."

* * * *

N. Y. City Council passed and relayed for Mayor Wagner's signature a Fair Sabbath Law which will permit small, family-operated businesses to remain open on Sun. if they close another day of the week. It covers only stores operated by owners or their immediate families.

TOPICS & TRENDS

Singer Sewing Machine Co. may import TV sets for sale under "Singer" brand name in its own retail stores. Company spokesman said this was "under consideration, but that doesn't mean we've decided to do it." Some 60 Singer outlets in N. Y. metropolitan areas are currently handling Magnavox line on "test" basis. Some Singer stores are also displaying Westar Japanese-made TVs, Singer having purchased entire inventory from Litton subsidiary Westrex Co. Alpine, leaving TV import business. Singer spokesman pointed out that Westar sets—and the proposed imports—were small-screen receivers not competitive with Magnavox line.

Integrated circuits should start showing up in consumer entertainment equipment by 1965, according to prediction by Joseph D. Hurley, marketing mgr. of Westinghouse Molecular Electronics Div., which recently dedicated $2-million integrated circuit plant at Elkridge, Md. (See "Molecular Revolution in Consumer Products," Vol. 3:5 p7.)

German version of barefaced picture tube has been introduced by Standard Electrik Lorenz, ITT affiliate. Looking like a cross between Shelbond & Kimcode, it has bonded steel shell around rim, with mounting flanges, and steel jacket bonded to forward portion of funnel.

Television Digest SPECIAL SUPPLEMENT, SEPT. 23, 1963
© Television Digest, Inc., 2025 Eye Street, N.W., Washington, D.C. 20006
NAB LIBRARY

TV STATION MARKET-BY-MARKET INCOME & EXPENSES IN 1962

Report by FCC for Markets with 3 or More Stations

TV MARKETS	NO. OF STATIONS IN OPERATION	NO. REPORTING $25,000 OR MORE TIME SALES	TIME SALES: NETWORKS	TIME SALES: NATIONAL AND REGIONAL ADVERTISERS AND SPONSORS[1]	TIME SALES: LOCAL ADVERTISERS AND SPONSORS[1]	TOTAL STATIONS REPORTING	TOTAL BROADCAST REVENUES[2]	TOTAL BROADCAST EXPENSES	TOTAL BROADCAST INCOME[3]
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
ALBANY-SCHENECTADY-TROY,N.Y.	3	3	$1,769,219	$4,171,665	$1,120,038	3	$6,315,949	$4,432,445	$1,883,504
ALBUQUERQUE,N.M.	3	3	637,716	670,239	1,073,364	3	2,258,541	1,963,523	295,018
AMARILLO,TEX.	3	3	529,657	627,274	1,169,080	3	2,247,342	2,079,528	167,814
ATLANTA,GA.	3	3	1,920,953	4,900,155	2,874,711	3	8,578,041	5,822,564	2,755,477
BAKERSFIELD,CAL.	3	3	438,562	744,322	988,681	3	1,972,939	2,096,791	123,852-
BALTIMORE,MD.	3	3	2,413,171	8,414,497	2,831,439	3	12,063,319	8,476,622	3,586,697
BEAUMONT - PORT ARTHUR, TEX.	3	3	556,697	928,335	530,470	3	1,796,159	1,891,837	95,678-
BINGHAMTON,N.Y.	3#	2	*	*	*	3	2,781,916	1,735,199	1,046,717
BOSTON, MASS.	5	3	4,213,980	17,540,851	6,027,539	5	24,026,019	12,252,237	11,773,782
BUFFALO-NIAGARA FALLS, N.Y.	3	3	2,482,228	8,697,803	3,099,577	3	12,043,928	7,844,161	4,199,767
CEDAR RAPIDS - WATERLOO, IOWA	3	3	952,322	1,398,532	534,394	3	2,689,424	2,201,256	488,168
CHARLESTON-OAK HILL-HUNTINGTON,W.VA.-ASHLAND,KY.	4	4	1,770,390	2,106,503	1,187,899	4	4,789,132	3,909,063	880,069
CHARLESTON,S.C.	3#	3	652,171	514,964	778,436	3	1,871,180	1,565,503	305,677
CHATTANOOGA,TENN.	3	3	740,249	894,950	669,869	3	2,164,774	2,143,552	21,222
CHICAGO,ILL.	4	4	7,054,125	34,199,837	10,573,458	4	48,713,762	29,712,522	19,001,240
CINCINNATI,OHIO	3	3	2,636,123	5,989,381	2,341,772	3	11,107,538	6,686,423	4,421,115
CLEVELAND,OHIO	3	3	3,530,265	13,828,650	3,879,951	3	19,739,822	10,118,245	9,621,577
COLORADO SPRINGS-PUEBLO,COLO.	3	3	365,273	530,601	708,873	3	1,562,268	1,574,571	12,303-
COLUMBIA,S.C.	3	3	530,792	928,481	720,623	3	2,236,208	1,734,717	501,491
COLUMBUS,OHIO	3	3	1,769,170	5,722,156	2,477,788	3	9,390,350	5,891,318	3,499,032
DALLAS - FORT WORTH, TEX.	4	4	2,329,261	7,322,725	4,130,637	4	12,801,343	8,756,825	4,044,518
DENVER,COLO.	4	4	1,361,121	4,293,642	2,311,271	4	7,699,734	5,345,256	2,354,478
DES MOINES - AMES, IOWA	3	3	1,156,533	2,472,925	871,763	3	4,003,330	3,153,243	850,087
DETROIT,MICH.	3	3	4,737,242	12,707,920	5,287,163	3	20,232,778	10,969,223	9,263,555
EL PASO,TEX.	3	3	482,239	682,032	1,053,004	3	2,106,641	2,000,445	106,196
EVANSVILLE,IND.	3	3	794,191	762,500	746,466	3	2,196,456	2,013,180	183,276
FLINT-SAGINAW-BAY CITY,MICH.	3	3	1,096,732	2,072,047	739,663	3	3,428,988	2,852,475	576,513
FORT WAYNE, IND.	3	3	879,616	1,142,665	773,944	3	2,584,645	1,949,544	635,101
FRESNO-HANFORD-VISALIA,CALIF.	6	6	913,478	1,822,197	1,287,073	6	3,497,579	3,839,727	342,148-
GRAND RAPIDS-KALAMAZOO,MICH.	3#	3	1,913,712	4,382,493	629,362	3	6,761,511	3,587,208	3,174,303
GREEN BAY, WISC.	3	3	1,079,707	1,330,620	730,587	3	2,977,217	2,486,986	490,231
GREENVILLE-SPARTANBURG, S.C.-ASHEVILLE,N.C.	4	3	1,004,810	1,505,949	926,418	4	3,323,721	2,549,593	774,128
HARRISBURG-LANCASTER-YORK-LEBANON,PA.	5	5	1,452,971	2,946,126	1,183,528	5	4,733,834	3,717,233	1,016,601
HARTFORD-NEW HAVEN-NEW BRITAIN-WATERBURY, CONN.	5	5	2,008,953	7,926,938	1,336,410	5	10,370,434	6,759,938	3,610,496
HILO,HAWAII	3		*	*	*	3¤	*	*	*
HONOLULU,HAWAII	4#	4	457,005	962,720	2,330,126	4	3,549,234	3,395,306	153,928
HOUSTON-GALVESTON,TEX.	3	3	1,984,638	6,978,977	2,239,536	3	9,761,650	6,304,526	3,457,124
INDIANAPOLIS-BLOOMINGTON,IND.	4	4	2,135,058	6,598,003	2,685,897	4	10,727,396	6,765,439	3,961,957
JOHNSTOWN-ALTOONA, PA.	3	3	1,417,655	2,302,319	579,148	3	4,022,671	2,134,230	1,888,441
KANSAS CITY,MO.	3	3	2,280,059	6,536,446	2,348,762	3	9,692,335	6,720,892	2,971,443
KNOXVILLE,TENN.	3	3	937,744	1,321,457	930,356	3	2,899,801	1,972,773	927,028
LAS VEGAS - HENDERSON, NEV.	3	3	147,486	279,252	1,367,698	3	1,874,274	1,417,297	456,977
LINCOLN-HASTINGS-KEARNEY,NEBR.	3	3	739,198	885,663	870,453	3	2,398,321	1,850,650	547,671
LITTLE ROCK, ARK.	3	3	845,896	1,081,280	896,081	3	2,692,534	2,116,897	575,637
LOS ANGELES,CAL.	8#	8	6,845,247	36,163,611	20,988,614	8	56,622,760	42,684,065	13,938,695
LOUISVILLE,KY.	3	3	1,583,143	3,999,144	1,273,317	3	6,156,751	3,460,988	2,697,763
MADISON,WISC.	3	3	633,060	1,190,268	591,607	3	2,271,963	1,759,317	512,646
MEMPHIS,TENN.	3	3	1,816,889	3,322,750	1,128,638	3	5,731,001	3,584,237	2,146,764
MIAMI,FLA.	3	3	1,839,260	6,719,402	2,971,569	3	10,826,617	6,887,705	3,938,912

(over)

TIME SALES:

TV MARKETS (1)	NO. OF STATIONS IN OPERATION (2)	NO. REPORTING $25,000 OR MORE TIME SALES (3)	NETWORKS (4)	NATIONAL AND REGIONAL ADVERTISERS AND SPONSORS [1] (5)	LOCAL ADVERTISERS AND SPONSORS [1] (6)	TOTAL STATIONS REPORTING (7)	TOTAL BROADCAST REVENUES [2] (8)	TOTAL BROADCAST EXPENSES (9)	TOTAL BROADCAST INCOME [3] (10)
MILWAUKEE, WISC.	4	4	2,291,172	7,019,040	2,684,280	4	10,602,818	6,913,168	3,689,650
MINNEAPOLIS-ST.PAUL, MINN.	4	4	2,636,324	6,486,793	4,491,651	4	13,519,250	10,257,873	3,261,377
MOBILE, ALA.-PENSACOLA, FLA.	3	3	819,447	1,367,162	938,207	3	2,914,618	2,464,171	450,447
MONTGOMERY, ALA.	3#	2	*	*	*	2	*	*	*
NASHVILLE, TENN.	3	3	1,494,134	2,219,666	2,054,635	3	5,211,981	4,018,152	1,193,829
NEW ORLEANS, LA.	3	3	1,669,610	3,926,781	2,173,335	3	6,689,128	5,367,345	1,321,783
NEW YORK, N.Y.	6	6	13,116,672	63,523,038	15,416,350	6	84,406,248	46,677,127	37,729,121
NORFOLK-PORTSMOUTH-NEWPORT-NEWS-HAMPTON, VA.	3	3	1,514,252	2,133,714	1,749,562	3	4,972,764	4,003,813	968,951
OKLAHOMA CITY-ENID, OKLA.	3	3	1,569,477	3,420,579	1,508,795	3	6,104,409	3,892,092	2,212,317
OMAHA, NEBR.	3	3	1,507,147	3,058,363	1,039,933	3	5,117,534	3,871,719	1,245,815
ORLANDO-DAYTONA BEACH, FLA.	3	3	836,075	1,324,651	1,114,660	3	3,090,577	2,435,825	654,752
PADUCAH, KY.-CAPE GIRARDEAU, MO.-HARRISBURG, ILL.	3	3	784,959	1,007,669	285,028	3	1,944,385	1,529,334	415,051
PEORIA, ILL.	3	3	838,238	1,121,709	740,506	3	2,472,031	2,317,953	154,078
PHILADELPHIA, PENN.	3	3	6,123,449	22,532,580	5,503,042	3	30,300,297	17,958,880	12,341,417
PHOENIX-MESA, ARIZ.	4	4	858,445	2,252,293	2,554,491	4	5,203,913	4,752,668	451,245
PITTSBURGH, PA.	3	3	3,611,811	12,910,122	4,535,551	3	18,488,914	10,273,852	8,215,062
PORTLAND-POLAND SPRINGS, ME.	3	3	1,026,183	1,752,671	796,588	3	3,241,222	2,931,924	309,298
PORTLAND, ORE.	4#	4	1,752,897	4,743,376	2,040,105	4	7,501,581	6,246,625	1,254,956
RICHMOND - PETERSBURG, VA.	3	3	1,176,299	1,417,443	937,890	3	3,724,594	2,828,583	896,011
ROANOKE - LYNCHBURG, VA.	3	3	1,077,185	1,224,624	894,056	3	2,922,731	2,300,968	621,763
ROCHESTER, N.Y.	3#	3	1,289,729	2,741,813	1,244,134	3	4,683,385	3,812,746	870,639
ROCHESTER-AUSTIN, MINN. MASON CITY, IOWA	3	3	584,211	602,242	369,372	3	1,713,378	1,345,048	368,330
SACRAMENTO-STOCKTON, CAL.	3	3	1,308,104	4,383,124	1,535,029	3	6,155,399	5,462,726	692,673
SALT LAKE CITY-OGDEN-PROVO, UTAH	3	3	1,068,769	1,651,968	1,534,529	3	4,166,520	3,936,015	230,505
SAN ANTONIO, TEX.	4	4	1,226,341	2,437,639	1,555,464	4	4,614,167	4,123,325	490,842
SAN FRANCISCO-OAKLAND, CAL.	4	4	3,988,374	14,009,339	6,754,808	4	22,301,270	13,197,786	9,103,484
SEATTLE - TACOMA, WASH.	5	5	2,094,366	6,172,616	2,207,651	5	9,705,624	8,383,170	1,322,454
SHREVEPORT, LA.-TEXARKANA, TEXAS	3	3	1,001,893	1,593,191	984,705	3	3,232,858	3,138,126	94,732
SOUTH BEND - ELKHART, IND.	3	3	652,456	836,112	613,051	3	2,085,829	1,930,921	154,908
SPOKANE, WASH.	3	3	890,736	2,042,487	859,186	3	3,341,104	2,948,512	392,592
SPRINGFIELD-DECATUR-CHAMPAIGN URBANA-DANVILLE, ILL.	5	5	1,194,016	1,857,702	1,267,102	5	3,984,589	2,878,596	1,105,993
ST LOUIS, MO.	4	4	2,922,823	9,391,393	3,249,113	4	13,439,737	9,540,893	3,898,844
SYRACUSE, N.Y.	3#	3	1,567,681	4,429,384	1,217,765	3	6,171,269	3,397,199	2,774,070
TAMPA - ST. PETERSBURG, FLA.	3	3	1,349,931	3,909,115	1,793,844	3	6,208,533	4,109,447	2,099,086
TUCSON, ARIZ.	3	3	452,937	526,182	1,216,354	3	2,111,922	2,045,375	66,547
TULSA, OKLA.	3	3	1,221,121	2,359,086	1,271,630	3	4,444,996	3,533,125	911,871
WAILUKU, HAWAII	3	1	*	*	*	3□	*	*	*
WASHINGTON, D.C.	4	4	2,788,509	9,231,269	2,634,732	4	14,632,666	10,428,148	4,204,518
WICHITA-HUTCHINSON, KANS.	3	3	1,091,179	1,919,371	969,957	3	3,537,075	3,139,766	397,309
WILKES BARRE-SCRANTON, PA.	3	3	1,030,076	1,433,491	952,479	3	3,232,657	2,865,590	367,067
YOUNGSTOWN, OHIO	4#	3	668,634	1,076,851	455,608	4	2,084,187	1,816,190	267,997
SAN JUAN-CAGUAS, PUERTO RICO	3	3	309,713	3,215,371	395,006	3	3,810,552	3,474,768	335,784
TOTAL 91 MARKETS	308	299	$153,241,966	$461,863,703	$191,437,087	307	$738,382,842	$501,716,819	$236,666,023
MARKETS LESS THAN 3 STATIONS TOTAL 183 MARKETS	249	234	$48,601,888	$77,548,829	$51,064,564	247	$163,040,746	$124,870,468	$38,170,278
TOTAL 274 MARKETS	557	533	$201,843,854	$539,412,532	$242,501,651	554	$901,423,588	$626,587,287	$274,836,301

1/ *Before commissions to agencies, representatives and others.*

2/ *Total revenues consist of total time sales less commissions plus talent and program sales.*

3/ *Before Federal income tax.*

Note: ___ denotes loss

 # Not all stations in this market operated a full year during 1962.

** Data not published for groups of less than 3 stations.*

□ Hilo and Wailuku have 3 and 2 satellite stations, respectively, whose financial statistics are included in the reports of their parent stations.

TV-RADIO SALES DOWN: TV sales were below comparable 1962 month for first time this year in July—but they were down by only about 1,000 sets, and Aug. sales made handsome recovery (see p. 9). Official figures, released last week by EIA, show distributor-to-dealer sales for 1963's first 7 months were about 7% above comparable 1962 sales.

EIA's production statistics show all-channel sets constituted 20% of July TV output, and 13% of total production for year's first 7 months, up from 9% in same 1962 period. In July, all-channel output was 168% ahead of July 1962, and for 7 months it was running 67% ahead of last year.

Radio sales to dealers continued far below last year, down about 24% for both July and for 7-month period. FM, nevertheless, continues to shine, up 78% for July (from July 1962) and up 44% for year. For first 7 months of year, FM sets constituted 17% of total factory output (excluding auto sets, both AM & FM), compared with 8% for first 7 months of 1962.

Auto radio production was below same 1962 month in July for first time this year, dropping by 18%, but for full 7 months car radio production was 11% higher than year-ago and heading for all-time record. Auto radio this year so far constitutes a full 43% of total radio output, up from 35% in same period last year.

Here are EIA TV-radio sales & production figures:

TV-RADIO DISTRIBUTOR SALES

	Block-&-White TV		Radio (excl. auto)	
Month	1963	1962	1963	1962
January	503,821	465,836	453,348	562,869
February	535,999	521,275	616,036	697,893
March	601,797	580,876	818,510	917,236
April	395,166	364,742	637,443	809,499
May	378,215	310,799	598,410	772,479
June	541,810	480,510	811,923	1,040,598
July	448,441	449,528	698,043	921,089
TOTAL	3,405,249	3,173,566	4,633,713	5,721,663

BLACK-&-WHITE TELEVISION PRODUCTION

	Total		All-Channel	
Month	1963	1962	1963	1962
January	484,415	488,869	58,032	39,609
February	557,931	541,494	63,713	46,715
March	696,435	659,251	76,481	48,323
April	548,637	510,587	70,405	51,107
May	507,499	474,647	57,208	39,409
June	665,004	620,653	107,500	50,283
July	384,291	336,409	75,589	28,359
TOTAL	3,844,212	3,631,910	508,928	303,805

RADIO PRODUCTION

	Total		Auto Radio		FM	
Month	1963	1962	1963	1962	1963	1962
January	1,229,507	1,350,630	594,505	530,589	87,641	76,510
February	1,389,652	1,464,797	657,691	480,232	75,544	84,216
March	1,568,381	1,810,417	677,613	607,510	100,940	81,010
April	1,359,769	1,472,654	596,899	519,296	102,208	63,193
May	1,384,063	1,444,074	555,812	504,846	119,756	62,292
June	1,653,866	1,721,873	670,106	629,004	154,818	92,287
July	990,605	1,134,250	331,816	403,946	120,825	68,037
TOTAL	9,575,843	10,398,695	4,084,442	3,675,423	761,732	527,545

July factory sales of TV picture tubes topped year-ago volume by 38,600 units but slipped more than $246,000 in value. Factory sales of receiving tubes were downbeat all the way—off 1.4 million units and $1.5 million. EIA's July report shows sales of 603,622 TV picture tubes at $10.8 million, compared with 565,022 at $11.1 million in July 1962. For year to date, units trailed 1962's first 7 months 5.1 million vs. slightly more than 5.1 million. Value trailed $94.4 million vs. $98.4 million. July receiving tube sales dropped to 22.7 million units from 24.1 million, dollar value dipped to $18.1 million from $19.6 million. Cumulatively, 7-month unit sales lagged behind 1962's Jan.-July period 188.9 million vs. 207.6 million. Dollar value trailed $155.9 million vs. $174 million. Here are EIA's figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	890,246	$16,846,046	27,025,000	$ 22,524,000
February	639,392	11,990,595	26,382,000	22,354,000
March	760,524	14,223,503	30,285,000	25,643,000
April	771,073	14,197,385	26,167,000	21,521,000
May	703,393	12,888,058	26,662,000	21,600,000
June	707,541	13,462,906	29,332,000	23,764,000
July	603,622	10,818,297	22,688,000	18,148,000
Jan.-July 1963	5,072,791	$94,426,791	188,875,000	$155,856,000
Jan.-July 1962	5,121,165	$98,397,051	207,625,000	$173,952,000

Lag between space-age technology and civilian applications was called one of biggest challenges to industry by RCA Group Exec. Vp W. Walter Watts recently in address to Downtown Rotary Club of Houston. All Americans will benefit from "business fallout of space," he said, but scientific & engineering skill to translate these developments to commercial uses is in short supply. One long-range solution to this "drastic imbalance," he asserted, lies in vigorous effort to increase number of students choosing science & engineering professions.

"We'll meet Japanese prices—we're going to fight them." So we were told by Sarkes Tarzian, pres. of Sarkes Tarzian Inc., one of the "big 4" TV tuner manufacturers, in commenting on use of Japanese-made tuners by 3 major set makers. Tarzian said his company had made "no deal" with any Japanese tuner manufacturer. The other 3—General Instrument, Standard Kollsman & Oak Mfg. —all have licensing or affiliation agreements with Japanese tuner makers.

Symphonic Electronic Corp. has moved its N. Y. hq to new Pfizer Bldg., 235 E. 42nd St., from former offices at 10 Columbus Circle. Phone: TN 7-8700. Engineering, purchasing, production & service facilities remain at Lowell, Mass. (consumer products) & New Brunswick, N. J. (defense equipment).

Litton Industries shareholders have authorized issue of 3 million shares of new $5 par convertible preferred stock which will make company "more effective in taking advantage of acquisition opportunities," Chmn. Charles B. Thornton reported.

Admiral's 11-in. portables will be fair-traded at $99.95 and $109.95 (step-up models) by Admiral-Chicago & Admiral-Boston. Admiral's Metropolitan Div. (N. Y.-Newark area) has been fair-trading full line for 13 months.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Famous Players Canadian	1963—6 mo. to June 30	—	—	$ 877,248[1]	$0.50	1,737,072
	1962—6 mo. to June 30	—	—	861,843[2]	.49	1,737,072
Lafayette Radio Electronics	1963—year to June 30	$ 30,994,518	$ 1,466,766	761,264	.72	1,061,675
	1962—year to June 30	24,936,144	1,232,674	676,372	.64	1,061,675
National Video	1963—qtr. to Aug. 31	4,007,198	—	105,575	.09	1,233,334
	1962—qtr. to Aug. 31	3,919,658	—	86,690	.07	1,233,334
Regency Electronics	1963—year to June 30	1,389,598	—	84,260[3]	—	—
	1962—year to June 30	782,328	—	(103,934)	—	—
Rollins Bcstg.	1963—qtr. to July 31	2,126,160	—	255,739	.27	957,244
	1962—qtr. to July 31	1,928,715	—	168,642	.18	955,475
Silicon Transistor	1963—6 mo. to June 30	2,322,000	—	201,000	.35	533,958
	1962—6 mo. to June 30	1,131,000	—	123,000	.23	516,250
Technicolor	1963—6 mo. to June 30	38,288,423	—	1,703,199	.64	2,655,921
	1962—6 mo. to June 30	26,609,554	—	828,606	.31	2,623,218
Walter Reade/ Sterling	1963—6 mo. to June 30[4]	5,500,000	—	220,000	.14	—
	1962—6 mo. to June 30	4,202,063	—	163,149	.10	—
Vocaline	1963—6 mo. to June 30	988,000[5]	—	83,845[5]	.16	520,550
	1962—6 mo. to June 30	960,000	—	18,000	.03	520,550

Notes: [1]Before $82,336 (5¢ a share) profit on sale of fixed assets. [2]Before $841,343 (49¢) profit on sale of fixed assets. [3]Includes $40,000 tax credit from tax-loss carry-forward. [4]Preliminary. [5]Record.

"**Investment sheen** seems to have rubbed off the stocks of many TV and radio broadcasting companies," noted Sept. 15 "N. Y. Times," adding: "The question that remains is whether the stock market has already discounted prospects of favorable earnings for the near future. Some security analysts feel that the opportunity for rapid price appreciation in radio and TV stocks has been diminished and that future growth will be at a more leisurely pace." However, report continued, "a survey of half a dozen leading brokerage firms and a leading advisory service shows that virtually all have recommended CBS, RCA and other broadcasters." Here are some thumbnail sketches: "The consensus seems to be that CBS could earn as much as $4 a share this year" vs. $3.27 in 1962..."There were also selected recommendations for RCA but these studies covered the company on an electronics basis rather than as a broadcaster" ..."Metromedia has only about one-tenth of the market value of CBS [but] the company is willing to give battle to any other company that would attempt to usurp its role as a growth company"..."Rollins Bcstg. has improved its financial position as a result of programming aimed at the Negro population"..."Taft Bcstg., with about 7% of its outstanding stock held by institutional investors, was considered a leading long-term investment by Bache & Co."..."AB-PT was called an 'interesting' situation by a leading brokerage house."

ITT will hold its Oct. 1 board meeting in West Berlin, in plant of West German affiliate Standard Elektrik Lorenz AG, which employs some 32,000 in 17 plants throughout country.

MERGERS & ACQUISITIONS: Tung-Sol tried to throw a block at **Purolator's** attempt to obtain stock control (Vol. 3:36 p11) by obtaining temporary restraining order on Purolator's offer to buy 200,000 shares at $22 each. However, U.S. District Court dismissed Tung-Sol's complaint several days later for lack of jurisdiction. Tung-Sol termed price inadequate, said company & shareholders will suffer "irreparable injury" if offer goes through, charged Purolator with "having breached a confidential relationship" by using "for its own benefit" information received from Tung-Sol during earlier merger talks. Purolator as of Sept. 4 owned about 130,000 shares or 14% of Tung-Sol's outstanding stock, would own 35% if it acquires additional 200,000 shares it seeks... **Litton Industries,** in process of acquiring **Adler Electronics** (Vol. 3:36 p12), also has agreed in principle to acquire **Clifton Precision Products,** Clifton Hts., Pa. maker of space vehicle & aircraft electronic equipment. Acquisition requires approval of directors of both firms, Clifton's shareholders, California Corporations Commissioner. Under proposed stock exchange, Litton would pay some $8-10 million.

Technicolor has declared its initial stock dividend and its first cash dividend since 1957, both payable Oct. 21 to holders of record Sept. 30. The 12 1/2¢ cash payout was described as a "regular quarterly dividend," and company hopes to pay it regularly. Stock dividend is 2%.

CTS Corp. has increased common stock dividend to 15¢ a share from 12 1/2¢, payable Oct. 18 to holders of record Sept. 30.

NAB LIBRARY

WEEKLY

Television Digest

with

Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

SEPTEMBER 30, 1963 NEW SERIES VOL. 3, No. 39

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

HENRY STRIKES AT INDUSTRY POCKETBOOK in IRTS speech attacking 'over-commercialization,' gets polite but cold reception. Industry hikes pressure on congressmen, gets more support (p. 1).

EIDOPHOR COLOR PROJECTOR now in production; demonstration hailed by show-business spectators; TNT says it will present theater-TV entertainment & sports events (p. 3).

ADMEN TOLD THEY'RE PART OF RATINGS PROBLEM: Rating Council expects final word in week or 10 days on whether AAAA-ANA will serve on board. Accounting firm that will do auditing will be picked shortly. Ranges idea stirs more comment (p. 3).

INDUSTRY COMBATS NEW TALL TOWER CRISIS: NAB, Maximum Service Telecasters, et al., say new FAA 'antenna farm' criteria would disrupt TV service, cause interference. Other standards would seriously limit location & size of towers, they say (p. 4).

NBC CHARGED WITH 'COERCION' in Philadelphia case, FCC Broadcast Bureau urging denial of license renewal for 'naked use of network power.' Commission unlikely to accept recommendation (p. 5).

Consumer Electronics

COLOR TV OUTPUT estimates, year-by-year for 1954-1963, indicate some 1.7 million sets in use by year's end (p. 7).

EIA GIRDS FOR IMPORT FIGHT; expanded Imports Committee forming, should be ready to go 'within a few weeks,' Chmn. Robert Sprague tells us. Work progresses on over-all battle plan to provide 'look at the situation and to develop resistive measures, while there is time' (p. 7).

CONSOLE PHONOS increasing share of market hints that console boom may succeed portable boom of last 12 months (p. 9). July phono sales by distributors exceed July 1962 figure by 2%, but 7-month sales are up 20% (p. 10).

HENRY STRIKES AT INDUSTRY POCKETBOOK: Broadcasters are likely to be even unhappier with new FCC Chmn. Bill Henry, if possible, than they were with predecessor Newt Minow. Minow's main emphasis was on programming. Henry is hot on programming, too, but he chose to hit broadcasters in even more sensitive spot—pocketbook—in his most important speech to date.

Henry had bluest of blue chip audience when he spoke last week to International Radio & TV Society in N. Y., the annual affair attended by all commissioners. "Over-commercialization" was his theme. It was the kind of speech that broadcasters get madder about, the more they think about it. His reception was courteous, and applause was polite but cool. Fact is, Henry raised hell with commercials, said FCC intends to do something about it.

FCC staff members attending luncheon were pleased with speech, said they thought reaction was good. But, privately, many industry people seethed. Networks wouldn't comment, said they'd give views in papers to be filed in the rule-making proceeding. People we talked to didn't care for speech one bit. "Arrogant," said one. "Worst speech by a public official I've ever heard," said another.

NAB Pres. Collins had this comment: "The chairman feels that a better job should be done in broadcast commercial practices. And so do I. So do most licensees, I believe. The question is 'how' and 'when.' We believe this should come from self-regulation. The chairman thinks the time for this is running out. I believe it is running, but I will fight to insist that it is not out. It is really incredible that with all the danger lights we do not have better support for our codes."

Code board meetings next week shape up as something of a showdown, could be critical. Collins is bound to push for stronger codes, while some board members will oppose him vigorously.

Though Henry had stern speech, opinion in Washington is that FCC is unlikely to adopt any stringent ceilings on commercials. Rule-making was voted by bare 4-3 majority—and powerful congressional opposition has been sparked by broadcasters.

Whole Missouri House delegation, for example, last week joined in letter to FCC blasting proposal. Missouri senators are expected to follow suit. Recently, whole Oklahoma delegation protested to FCC. Many individual members of Congress have done same, including Sen. Allott (R-Colo.) last week.

Speech stirred Rep. Rogers (D-Tex.) into quick assertion that FCC has no power to limit commercials (nor to impose license fees). He said he plans hearings on his bills to prohibit both (HR-8316 & HR-6697) in Oct. or Nov. He said that agencies such as FCC cannot assume powers which Congress has not expressly given them. Such powers, he asserted, "must be granted by the operation of the legislative processes of the Congress." He declared that "assumption of that power by an independent agency, even though they do not have the right to do so, places in jeopardy many businesses in the communications industry and in related pursuits."

So what did Henry say? Excerpts: "In a free enterprise, commercial broadcasting system, advertising is part of the price we pay to get the programs. But when it begins to interfere unduly with the programs, to limit unreasonably the time devoted to them, to restrict the content put into them or to frustrate by interruption the enjoyment and understanding the public gets out of them, we have a real problem... In fiscal 1962, we received approximately 2,500 complaints about advertising, of which about 35%—the biggest category—related to length, amount and frequency...

"I have been told, many times, that this is not something about which the government needs to be concerned. After all, so the reasoning goes, advertisers and broadcasters want to keep the public's attention and good will... And the broadcaster who over-commercializes runs the risk of losing his audience to a competitor who doesn't. So the free market and the public's ability to turn the dial, according to this view, will keep commercialization within tolerable limits...

"Where is that other station? Who wins the argument between the man who wants to put in another commercial and the one who wants to keep it out? The public, after all, will take a lot of punishment in order to watch or listen to a program it likes."

Newspapers lapped up Henry's needling, particularly such things as his criticism of "teasers," giving example of: "Good Evening, Ladies & Gentlemen. The President has just asked the Congress to declare war. We'll be back with that story after a word from our sponsor." Also, his quote of cartoon: "And so, Ladies & Gentlemen, it looks like the end of civilization as we know it. And now here's David Krank for the Ajax Oil Company." Broadcasters are accustomed to such kidding—but not from FCC chairmen.

Henry sought to assure audience he still has faith also in self-regulation: "The content of commercials—the question of taste and intelligence—is in many ways the biggest problem of all. But except for matters such as fraud and deception, problems of content should be handled by forces inside the industry." He also said: "I recognize the real efforts in the field of self-regulation that have been made by the subscribers to the NAB Codes, and of the progress there is being made."

Henry tried to assure industry that Commission doesn't intend to be arbitrary, that it recognizes different standards should apply to 50-kw outlets vs. 250-watters, to big-city stations vs. isolated towns, to daytimers vs. fulltimers, etc. But he said FCC needs concrete suggestions from industry, not "dog-eared denunciations and over-simplified, unsubstantiated conclusions."

But broadcasters aren't likely to tell FCC how to draft specific ceilings. Early comments are now being filed, and they generally attack Commission proposal as violation of First Amendment and of anti-censorship provisions of Communications Act. Then, there are comments such as those, for group of clients, by firm of Covington & Burling, which said "negative attitude" toward commercials is "more emotional than logical... simply snobbery... rate-making... intolerable administrative burden [for FCC]... Advertising, after all, pays for Project Mercury coverage as well as for soap opera..." Comments alluded to Henry's count of 2,500 complaints (35%, or 875, regarding length, amount & frequency). These amount to "eighteen one-thousandths of one percent" of American TV homes, comments noted. NAB and many other major entities plan to file comments this week. They'll be among most interesting in recent FCC history.

EIDOPHOR COLOR PROJECTOR IN PRODUCTION: Color version of Eidophor Theater-TV projector was unveiled last week by Theatre Network TV Inc. (TNT), its U. S. & Canadian distributor. Comments of demonstration audience—from show business, sports & broadcasting fields—were highly favorable.

TNT Pres. Nathan L. Halpern announced at demonstration that his company, leader in closed-circuit networking, plans to re-enter field of theater-TV programming as result of availability of color Eidophor. However, Halpern explained to us, this will be on occasional basis, for "outstanding entertainment & sports events which are unique"—rather than daily, regularly scheduled programming as announced early this year by National General Corp. (Vol. 3:9 p3).

National General will be using GE's Talaria light valve projector, which operates on principle similar to Eidophor. Both systems accommodate standard NTSC color signal and are capable of modification for various color or line standards. GE says its production of Talaria is "on schedule."

Color Eidophor is currently in production and available from TNT on immediate-delivery basis. TNT has declined to make price public (as has GE), but said its system will be "competitively priced." Prices of both systems are believed to be roughly in neighborhood of $50,000.

Swiss-developed Eidophor color projector is being manufactured by Ciba subsidiary Gretag Ltd., Switzerland (which holds patents), and giant Philips of Netherlands. Some 124 black-&-white Eidophors are now in use in U. S. Since color projector was evolved from b&w Eidophor, Halpern said, basic b&w Eidophor components are interchangeable with components in color projector.

Color Eidophor uses 3 electron guns, 3 lens systems and 3 cassettes (mirror & fluid control-layer assemblies). Talaria employs only 2 electrons guns & lens systems, uses different type of control layer with transparent window instead of mirror.

TNT makes these claims for color Eidophor: can project on screens up to 50 X 38 ft.; more than 4,000 lumens of screen brightness; contrast ratio of 100-1; resolution more than 700 lines; geometric distortion less than 1%. It uses 2 1/2-kw xenon lamp as light source. One spectator who has seen demonstrations of both color Eidophor & Talaria called them "reasonably parallel" in performance.

Among comments from audience at initial demonstration at TNT Technical Center, Woodside, L. I., was this, from veteran of TV industry: "Over-all quality was excellent, color very good, resolution & geometry very good, flesh tones fine."

Audience at demonstration was star-studded, including Paramount's Barney Balaban, 20th Century's Spyros Skouras, Madison Sq. Garden Pres. Ned Irish, RCA's W. Walter Watts, heads of 4 large theater chains, National Football League officials, et al.

ADMEN TOLD THEY'RE PART OF RATING PROBLEM: New Rating Council overtures to Presidents John Crichton of AAAA & Peter Allport of ANA, to have groups serve on Council's board, are reportedly making progress (Vol. 3:37 p2). The 2 still feel that ratings reform is broadcast industry problem, but NAB is trying to convince them that agencies & advertisers are part of the problem. Council expects final answer in week to 10 days, so that it can file incorporation papers.

Council will shortly evaluate bids of major accounting firms—such as Price, Waterhouse and Touche, Ross, Bailey & Smart—to select one to conduct audit of ratings under RC supervision.

Proposal of Harris Subcommittee staff to report ratings in ranges instead of single estimates continues to create industry fuss (Vol. 3:35 p4). Charles Howze, Subcommittee chief counsel, addresses Advertising Research Foundation Conference Oct. 1, is expected to illustrate point by using 1933 Securities Act as example. It's understood he'll say that registration & prospectus statements are required to provide maximum information so that investors can buy intelligently. If they prefer to rely on a hot tip, that's their business, but at least they've had benefit of proper data. He'll also say that no figures are better than those inadequately gathered.

Compromise idea we heard from Dan Denenholz, research vp of rep Katz Agency, appears to have merit in opinion of those we've consulted at NAB, ratings firms & Harris Subcommittee. He suggests that ratings be printed as they are in individual estimates, but that ratings reports provide a separate easy-to-read table showing ranges involved.

This would appear to accomplish Subcommittee's objective of having ranges dramatize variance factor. At same time, it would meet objections of raters, who claim vastly increased costs would result if all ratings had to be expressed in ranges. It also would assuage Rating Council, whose chief objection is that ranges wouldn't accomplish much because buyers would end up using single estimate anyway, by averaging high & low points.

Interest in ranges idea is running high, with apparently much at stake. Ruth Jones of J. Walter Thompson sat in on Rating Council meeting few weeks ago, strongly favors ranges, wrote Chmn. Don McGannon: "I am still disturbed about the reluctance of the Council to endorse the 'range' concept. You, as an experienced broadcaster, will realize that 'precise' numbers have a virtual strangle hold on the broadcasting industry...

"While some researchers might argue that 'range' reporting is only accurate when based on a perfect sample, perfect response, perfect tabulation, etc., it seems logical that 'ranges' are far closer to the truth than the present 'precise' figures... An opinion had been expressed that buyers would use the average of the highs and lows if this concept were adopted and therefore the specific 'precise' figures would be better. I don't believe that an arbitrary statement can be made as to what buyers would do...

"I feel that the 'range' principle could be a breath of fresh air for programming innovation... It will enable broadcasters to present their true qualifications and images to buyers—good management policies, good local live programming... I can assure you than many agencies, broadcasters, research people and leading representatives, as well as the ARF, RAB and TvB, are strongly in favor of the 'range' concept."

In other development, RAB Pres. Ed Bunker predicted that in future media will place more emphasis on "researching research." On pending radio methodology study, he told American Marketing Assn.: "Within a few weeks we may be able to announce that RAB and NAB have joined forces to finance a study of radio measurement methods.

Also on radio front, Sindlinger made presentations last week to show computer service that will provide demographic data and buying plans of consumers, covering all media. In addition to national service for ABC Radio & NBC Radio, company is ready to report local measurements of 67 major U. S. markets, with sample sizes of no less than 2,000 each. It uses recall technique measuring "yesterday's" media exposure.

INDUSTRY COMBATS NEW TALL TOWER CRISIS: There's real concern that new criteria for height & location of tall towers, as proposed by Federal Aviation Agency, could seriously impair present & future TV service.

New standards for "antenna farms" are unilateral, giving consideration only to aviation needs, completely ignoring broadcast requirements, NAB commented last week. It said new maximum heights criteria are "arbitrary" & "overly restrictive" and would "severely limit" location sites. NAB also objected to new "hazard rule"—judging towers on basis of "adverse" effect on aviation, rather than present standard that structure shall not consitute a hazard to air navigation.

MST said FAA proposals appear to favor only one antenna farm per community. This would be "simply impossible" in most cities without violating FCC co-channel & adjacent-channel mileage standards, affecting both TV and FM allocations, MST stated. It said proposals could lead to "vast areas of interference" and "drastic loss of service."

Practical effect of proposals would be to disallow "any" tower more than 1,000 ft. above ground and "most" towers more than 500 ft. above ground, MST said. It pointed to suggestion banning any structure more than 500 ft. above airport elevation within a radius of 10 miles of an airport having a 5,000 ft. runway. Few metropolitan areas with TV stations don't have such airports, MST declared. Similarly, MST said proposals would ban any structure above 500 ft. within a radius of 5 miles of an airport with runway of 2,000-5,000 ft. It concluded that most cities, even small ones, have at least one such airport.

Assn. said that 1957 Joint Industry-Govt. Tall Structures Committee committed itself to more than one antenna farm per community and supported concept of having aviation interests compromise their needs "to the fullest extent possible" to provide maximum TV service to public.

NBC CHARGED WITH 'COERCION': FCC's Broadcast Bureau, which usually takes the tough line in recommendations to Commission, hasn't changed. Its suggestion is that NBC be denied renewal of its WRCV-TV Philadelphia, so that it would have no license to trade for WNAC-TV Boston, as it proposes to do.

NBC's reaction was to issue brief statement that Bureau's conclusions are "untenable" and that its arguments will be rebutted in pleadings to be filed by Oct. 21.

Bureau concludes that NBC got its Philadelphia station by pressuring Westinghouse. Latter owned the outlet, wanted NBC-TV affiliation for its Pittsburgh station. Bureau claims that NBC wouldn't give the affiliation until Westinghouse agreed to swap Philadelphia station for NBC's Cleveland station. Said Bureau:

"NBC's entire pattern of conduct with respect to the Pittsburgh affiliation reveals a deliberate effort to attain the Philadelphia station through the naked use of network power, which can only be properly characterized as bald coercion."

Bureau leaves unanswered the obvious question: If NBC is so bad, why should it be permitted to keep any other stations? We put the question to knowledgeable FCC sources, got this answer: "The conclusion was limited to this proceeding. It isn't necessary to say more."

Statement does say this: "We have no doubt that through the many years the NBC network has made innumerable and important contributions in the field of broadcasting. The network enjoys a vast and generally receptive audience. However, without attempting to detract from NBC's contributions, it must be observed that these contributions are not always without self-serving objectives." Such language suggests that Bureau may consider loss of one station, with value running well into 8 figures, may be enough punishment. However, Commission isn't very likely to accept Bureau's harsh recommendation.

Network TV billings were up 3.8% in July—$66,744,800 vs. $64,291,000 for July 1962. Billings for first 7 months increased 5.7%—$477,863,500 vs. $452,063,600. July figures for each network: ABC, up 2.1% from $15,708,700 to $16,039,200; CBS, up 6.2% from $25,793,400 to $27,401,900; NBC, up 2.3% from $22,788,900 to $23,303,700. TvB also reported that cosmetics & toiletries advertisers increased network & spot TV buys by $18.4 million for Jan.-June 1963, biggest increase of any category. Expenditures jumped 20.7%, from $88,882,590 to $107,264,900. Total TV outlays for all products for first half jumped 12.5% to $854,042,900 ($442,877,000 for spot, $411,165,900 for network).

ETV advocate FCC Comr. Lee, urging broadcasters to support educational medium, said ETV is carrying much of the load of public service programming. His remarks were to be aired on Sept. 29 "Mark Evans Show" on WTTG Washington, celebrating first anniversary of ETV WETA-TV.

Red Goose production company has been formed by Renee Valente, for 12 years a top executive of Talent Associates Paramount Ltd. Partners: John Wray, former Ed Sullivan show dir., and Burr Smidt, set designer.

Philips will export TV cameras to U.S., under guidance of CBS-TV, according to announcement at week's end by North American Philips Co., which hopes to market both color & b&w cameras under Norelco brand name. Heart of new cameras will be Philips-developed "Plumbicon" tube, said to produce uniform color picture free of halos, shadows & blurring. Norelco claims new tube has all advantages of vidicon, particularly in ease of handling, with none of the smearing, which bars vidicon from many live broadcast uses. Plumbicon color cameras, says Norelco, are smaller than current b&w image orthicon cameras and can operate under "relatively normal" lighting conditions. Amperex will handle sales & applications of Plumbicon.

Fourteen top writers affiliated with "N. Y. Herald Tribune" will be featured by Corinthian stations in video taped 2 1/2-min. weekly features. More columnists will be added later, and features may be fed to other stations. The 14: Roscoe Drummond, Robert Donovan, Marguerite Higgins, Stewart Alsop, Red Smith, Earl Mazo, Rowland Evans & Robert Novak team, Eugenia Sheppard, Walter Kerr, Judith Crist, Maurice Dolbier, Emily Genauer, Earl Ubell.

HEW has received 6 new applications seeking $1,104,028 for ETV construction grants. So far, 27 have been filed requesting $5,394,822. New applications: San Jose Office of Education, $75,575 to activate Ch. 54; U. of Maine, $110,017 to activate Calais Ch. 13; Greater New Orleans TV Foundation, $188,156 to expand Ch. 8; U. of Idaho, $111,211 to activate Moscow Ch. 12; New Mexico State U., $204,537 to activate Hatch Ch. 12; U. of Illinois, $414,532 to expand Urbana Ch. 12.

Add CATV entries by major broadcasters: Meredith Bcstg. confirms it's negotiating with Jerrold Corp. for joint operation of systems in Melbourne, Eau Gallie & Ormond Beach, Fla. It's also planning to seek franchise in Cocoa Beach.

Senate has passed S-1193 requiring parties who want to intervene in FCC hearing to do so 30 days after publication in "Federal Register." Present practice is 10 days before start of hearing. Similar HR-5327 is pending before House Commerce Committee.

Revocation & renewal proceedings have been ordered by FCC against radio WTIF Tifton & WDMG Douglas, both Ga.—on charges of unfair competition against WSIZ Douglas, misrepresentations, unauthorized transfer, character qualifications.

Red Skelton-Johnson's Wax celebrate 10 years together at Oct. 1 luncheon of L. A. Advertising Club. Agency Foote, Cone & Belding claims it's longest star-sponsor relationship in network TV.

ABC-TV gets exclusive rights to 1964 U.S. Summer Olympic Trials. NBC-TV will telecast Tokyo Olympic games Oct. 1964. Trials will be telecast on 18 dates between April 4 & Sept. 20.

Broadcaster Gordon McLendon of Dallas said he "might possibly" run against Sen. Yarborough (D-Tex.) in next year's primary.

Overseas Broadcast Services named European rep for Teleguide, closed-circuit hotel service providing N. Y. tourists with information.

Personals

James Levey, ABC-TV asst. to program development dir., promoted to daytime programming mgr... **Alfred I. Miranda**, ex-asst. to pres., ABC International TV, appointed dir. of new client relations dept., CBS TV Stations National Sales.

Robert Northshield, NBC News & Public Affairs producer, promoted to gen. mgr... **Jack Deutscher**, NBC organization development mgr., promoted to organization development, employment & training dir.

NBC Chmn. Sarnoff leaves Sept. 30 for Orient, Middle East, Europe, in connection with 1964 Olympics.

FTC Comr. A. Leon Higginbotham nominated by President Kennedy as U. S. district judge for eastern Pa... **Alvin M. King**, NAB stations relations field dir., promoted to newly-created state assn. liaison dir.

Paul Blakemore Jr. named head of "Television Age" midwest adv. sales... **Leonard G. West**, ex-ITA Electronics & RCA named chief project engineer, CCA Electronics.

Donald H. McGannon, Group W pres., addresses Broadcast Advertising Club of Chicago Oct. 8... **William Dozier**, Screen Gems west coast vp, appointed senior vp for production & west coast operations.

Robert Schmidt, KAYS Hays, Kan., elected AP Radio & TV Assn. pres. Other officers: **Tom Eaton**, WTIC Hartford, eastern district vp; **Carl Lee**, WKZO-TV Kalamazoo, central district vp; **F. O. Carver**, WSJS Winston-Salem, southern district vp; **John Thompson**, KRCA-TV Los Angeles, western district vp.

Bernie Sandler, promotion mgr., radio WGR Buffalo, promoted to similar post, WGR-TV, succeeded by **Richard D. O'Connor**, ex-sales promotion mgr., Curtiss-Wright.

Joseph S. (Dody) Sinclair, pres. & gen. mgr., WJAR-TV Providence, is separated from his 2-year-old whiskers, grown for membership in Brothers of the Brush to celebrate city's 325th anniversary; (Television Digest will be tickled to report whether other major beards remain outstanding in TV-radio industry).

Tom A. Reynolds, WOR-TV-AM N. Y. traffic mgr., promoted to operations dir., succeeding **Bernard (Barney) Boyle**, retired... **G. Woodruff Sloan Jr.** promoted to WTIC-TV Hartford regional sales mgr.

George M. Green, business mgr. & secy.-treas., KOSA-TV Odessa, Tex., elected vp-gen. mgr. & asst. treas. of licensee Southwest States' TV-radio stations.

Charles H. Colledge, RCA Broadcast & Communications Products Div. vp-gen. mgr., was slated to leave at weekend for 2-week European circuit to confer with network people in Rome & London, inspect RCA microwave facilities in Madrid; returns Oct. 17 for RCA Victor board meeting in Montreal.

Carl Lindemann Jr., ex-NBC News special projects vp, appointed NBC sports vp, succeeding **Tom S. Gallery** who has joined Subscription TV Inc. as rep & sports dir. **Willard E. Walbridge**, KTRK-TV Houston exec. vp-gen. mgr., elected chmn. of TV Information Committee, governing body of TIO, succeeding Clair McCollough, Steinman Stations pres... **Perry Smith** promoted to NBC sports mgr.

Obituaries

Albert L. Capstaff, 50, pres. & gen. mgr., Virgin Isle TV Cable Corp. & former NBC executive, died in sleep at home in St. Thomas; he also had residence in Darien, Conn. He was producer of Kay Kyser & Jack Benny radio shows, was vp-programs for NBC Radio 1959-1962. He's survived by wife, 3 daughters, son.

George Frechette, 57, pres. of WSAU-TV-AM Wausau, vp & gen. mgr. of WFHR Wisconsin Rapids, died Sept. 24 of heart attack. He's survived by wife, son, daughter.

NEW & UPCOMING STATIONS: WNTV (Ch. 29 ETV) Greenville, S.C. received STA Sept. 25 for Sun. Sept. 29 start. It's year's 10th new starter and with last week's debut of WVAN-TV (Ch. 9 ETV) Savannah, Ga. (which got program test authorization Sept. 16) and Sept. 12 start of WHYY-TV (Ch. 12 ETV) Wilmington, Del., raises ETV operating total to 82 and U. S. over-all total to 644. WNTV has GE transmitter & 146-ft. tower built by Greenville Iron & Steel Co. R. Lynn Kalmbach is gen. mgr.; George E. Blair, educational dir.; Henry J. Cauthen, dir. of production & engineering; Charles S. Morris, technical dir. WVAN-TV is 2nd station to get on air of 4 planned by Ga. State Board of Education. It will use personnel at WXGA-TV (Ch. 8 ETV) Waycross; James Rodgers as resident engineer. Other CPs held by State Board are WJSP-TV (Ch. 28 ETV) Columbus & WCLP-TV (Ch. 18 ETV) Chatsworth; neither has definite starting dates.

* * * * *

In our continuing survey of upcoming stations, here are latest reports received from principals:

KFME (Ch. 13 ETV) Fargo, N. D., installing antenna on 426-ft. Blaw-Knox tower this month, is keeping to Nov. 1 target for programming, reports Clair R. Tettemer, gen. mgr. It has 10-kw RCA transmitter nearly ready at site on U. S. 81, 2.5-mi. S. of Fargo.

KBLU-TV (Ch. 13) Yuma, Ariz. has set Dec. 1 target for start as CBS-TV outlet, writes Robert W. Crites, gen. mgr. It has 2-kw Dynair transmitter scheduled for delivery in late Sept. Construction of studio-transmitter building began in late Aug. It will use 200-ft. Blaw-Knox tower. Base hourly rate hasn't been set. Rep will be Grant Webb & Co.

WNJE-TV (Ch. 77 ETV) Glen Ridge, N. J., hopes to begin "early in 1964", says Robert Pellet, project dir. It is planned as first of 4 interconnected uhf ETV stations designed to serve entire state. Fund-raising campaign is still underway and order for transmitter hasn't been placed. It has "considerable" amount of other equipment donated by CBS, NBC & WOR-TV. It will share tower of radio WJRZ West Orange, paying only maintenance. Vacated school in Glen Ridge will be used for studios & offices.

ETV has own splash for new season, quite impressive—with press kits. news conferences, brochures, etc. Write NET, 10 Columbus Circle, N. Y., for material describing shows you might want your children to watch. We took our press kit home.

New CATV franchise: Daytona Beach Shores, Fla., to Halifax Cablevision Inc., subsidiary of Community TV Systems, New Haven, Conn. (William Schlank, Pres.).

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

COLOR OUTPUT ESTIMATES, 1954-63: One of questions we're asked most frequently is—How many color sets have been sold to date? Actually, of course, nobody knows but RCA—and RCA ain't telling.

For the last year, however, we have been using production & sales estimates which we have carefully developed on basis of best evidence—by poring over material gathered during color's 10-year history, by considering all estimates & guesses from others, and by drawing on any available surveys.

The figures are rough guidelines of estimated color TV production—but through 1961 they can also be used to represent distributor-to-dealer sales. After 1961, with many more models on market, many more dealers handling color, it's common sense to assume there has been inventory buildup and sales have been lower than production figures.

For some years, we have given 2 figures. These represent our high & low estimates, in cases where evidence suggests considerable variation. All told, they indicate about a million color sets in use at beginning of 1963. These figures are merely rough guides, and are submitted as our guesstimates. We believe them to be close to truth, but we make no guarantees:

1954. . .	10,000 (15-in. sets)	1959. . .	85,000-91,000
1955. . .	28,000-35,000	1960. . .	110,000
1956. . .	40,000-78,000	1961. . .	185,000
1957. . .	48,000-82,000	1962. . .	460,000
1958. . .	60,000-89,000	1963. . .	760,000

Naturally, we're anxious to flush out any more precise or more accurate figures. Therefore, we'll be delighted to hear (and print) any rebuttal to these estimates, and to correct any errors in this tabulation. Just send us your own tabulation, and we'll gladly print it, with or without attribution.

EIA GIRDS FOR IMPORT FIGHT: EIA is determinedly marshalling its forces and facts for full-scale attack on increasingly nettlesome import situation before it festers into irrevocable trouble. Commenting on EIA board's strongest action to date on imports (Vol. 3:37 p9)—substantial appropriations, approval to recruit support from all EIA members, determination to have stronger voice in 1964 trade negotiations under Trade Expansion Act—Sprague Electric Chmn. Robert C. Sprague, EIA dir. & chmn. of EIA Import Committee, told us last week:

"The intelligent thing is to do something now, before the situation gets out of hand. Nothing catastrophic is going to happen overnight, of course, and the Japanese certainly aren't going to take over the U. S. electronics industry. However, we are faced with a long-range problem of severe competition in many areas as foreign countries develop competence and allocate resources. Our purpose now is an intelligent effort to look at the situation and to develop resistive measures, while there is time. The textile industry waited too long, and now it is in a quota situation."

EIA is working on its battle plan, but "it wouldn't be proper for me to divulge details until our new committee has been organized and has developed and approved the over-all plan," Sprague said. EIA has authorized expansion of Imports Committee to include 2 representatives from each product division. "I'm waiting now to hear from the heads of the divisions on their appointments," he told us, "and our committee certainly should be formed and ready to go within the next few weeks."

Where will EIA committee go? Four distinct avenues of attack are open, according to EIA sources. After thorough study of import situation, and properly armed with facts and figures, Imports Committee possibly will take one or more of these steps: (1) Request Tariff Commission

to increase rates on electronic products. (2) Through office of Christian A. Herter, President Kennedy's special representative for trade negotiations, seek more advantageous negotiations of reciprocal agreements via GATT—General Agreement on Tariffs & Trade. (3) Ask Customs Bureau to invoke Anti-Dumping Act in certain electronics product classifications. (4) Ask Congress to tighten Anti-Dumping Act.

Need for intensified EIA action at this time, Sprague told us, is dictated by "dramatic increase in imports" over past several years and threat of more to come. Spiraling import rate was detailed by Sprague in Aug. 15 letter to Herter. U.S. imports showed 11.1 million radios in 1962—nearly double 1960's 6.5 million. TV sets—263,000 units in 11 months from mid-1962, and, Sprague emphasized, "current imports [are] about 10 times 1961 level." Radio tubes—51.9 million in 1962 from 27.6 million in 1960, or "an increase of 90% in 2 years." Sprague also gave Herter these facts on 1962-vs.-1961 Japanese exports to U.S.: TV sets, "almost a 6-fold increase in one year" to 158,591 in 1962 from 23,151 in 1961. Capacitors—up more than 100% to 70 million from 34 million. Transistors—up almost 100% to 11 million from 5.7 million. Component parts for electronic products—"an increase of almost 900% to $11.2 million value in 1962 from $128,000 value in 1961.

Emphasizing that parts manufacturers "suffer double impact" from imports—by direct competition from imported parts and from loss of domestic business through imports of TVs, radios, other end products—Sprague informed Herter that worse is yet to come: "We believe that a major assult on the domestic market for parts by foreign producers is in prospect. We have information from Tokyo outlining Japan's 5-year plan for the production of electronic apparatus. It is significant to us that the projected production of electronic components in general is set at a 213% increase by 1967. This is almost double the 1967 target figure for consumer type end products."

EIA is seeking to have electronic components deleted from Schedule 6, part 5, "Electrical Machinery and Equipment" category of Tariff Schedules of the U.S. (1963) for purpose of separate consideration as entity by Tariff Commission. "To lump electronic products," Sprague wrote Herter, with "array of other articles for the purpose of determining whether the entire classification, as an entity, should be considered for future tariff reduction, is to disregard the separate and distinct competitive situation of electronic products. Electronic capacitors, resistors. tubes and semiconductors, several of which may be held in the palm of the hand, and selling for a few cents to a few dollars each, cannot be considered, for trade agreement purposes, on the same basis as an electric generator selling for several million dollars."

There's another important reason, Sprague told us, why electronic components merit special tariff protection. "If the commercial and industrial areas of our industry are adversely affected by imports, there will certainly follow an adverse effect on our research, development and production capabilities in the field of military components."

Trade Expansion Act, Sprague told us, "introduced a new policy for this country—that an industry is expendable in the national interest. I question that it is reasonable for a nation to allow an industry to be sacrificed simply because a foreign country decides to specialize and allocates resources. There should be some protection—and there isn't in the Trade Expansion Act.

Here are capsules of other import subjects covered in our conversation with Sprague:

(1) Dumping problem. "We're the only industrial country that doesn't have an adequate anti-dumping law. We have to prove 2 things—that the product sells for less here than it does domestically, and that it does catastrophic damage. That 2nd point is difficult to prove. Just across the border, in Canada, they only have to prove that the product, in the same quantity and of the same quality, sells for less than in the country of origin."

(2) Balance of trade. "Balance of electronics trade is currently about 3 to 1 in our favor—but that's a misleading picture because the balance is favorable only in military electronics and in some industrial areas. If our military aid program should cease, that favorable balance would cease overnight."

(3) Affiliation deals with Japanese firms. "This is strictly a defensive measure. Our companies certainly would prefer to make the products at home. Sprague Electric also has plants abroad, but they're there to serve those areas, and the way the economy is booming in those areas, those

plants will be increasingly busy. As for companies that have formed Japanese affiliates for the purpose of exporting to the U. S., I have no facts or figures on those operations specifically, but I know that some of those companies have not done well financially over-all. It may be just a matter of happenstance."

(4) Possible retaliation by foreign customers. "They're much more restrictive abroad. Nobody there has to buy from us unless they want to."

(5) Possibility of voluntary curtailment by foreign competitors. "Some relief may come through voluntary action by our friends overseas. They certainly don't want to get us mad. They know that if we do get mad we have both the resources and the energy to do something about it." Fact is, foreign competitors have at times shown their awareness of this.

Sprague summed up situation this way: "What the import situation will be, or what form protection will take, in the next 5, 10 or 15 years is impossible to determine, of course. However, it would be unintelligent not to recognize the potential for trouble and to do something about it now. If you're intelligent and aggressive, you can do something about it. The danger comes when you stick your head in the sand."

BIGGER SHARE FOR CONSOLE PHONOS? It's too early to tell for certain, but console phono boom may be shaping up as successor of portable boom the industry has been enjoying for more than year now. For 3 successive months, consoles' share of phono market has been greater than last year, thus reversing strong first-quarter trend to portables.

In early part of 1963, by far the greatest part of distributor sales increases over 1962 were represented by portables. As latest EIA figures on p. 10 show, trend has changed since April. Total sales are continuing to run ahead of 1962, and greater percentages of the increase are being accounted for by consoles.

Console business, of course, is far more seasonal than portable sales, and ratio of consoles-to-portables sold swings widely from season to season. For first 4 months of 1963, consoles' percentage of total distributor sales mix lagged comparable 1962 months, although actual sales in units were higher.

In Jan. 1963, consoles accounted for only 36% of total phono sales (vs. 48% in Jan. 1962), 42% in Feb. 1963 (vs. 47% year earlier), 39% in March (vs. 42%), 35% in April (vs. 36%). Crossover came in May, when 37% of total phono sales were consoles, compared with 30% in May 1962. In June, 32% were consoles, up from 25% year earlier. In July, 29% of sales were consoles, vs. 27% in July 1962.

Good console sales, in fact, kept total phono sales for July 1963 ahead of those of July 1962. Portable sales for month were about 1% below comparable 1962 figures, while consoles were up 11.5%—bringing total sales for month to about 2% higher than year-earlier figure.

It may be functional furniture, it may be FM stereo, which provided sales boost for consoles. But whatever it was, phono console market developed added strength during traditionally dull warm months.

For phono sales figures, and further analysis, see p. 10.

TOPICS & TRENDS

World electronics sales will more than double in next 6 years to $40 billion from current $19 billion, in opinion of Ampex Pres. William E. Roberts. He emphasized "constantly changing" shape of world markets, however, added: "Today the U. S. is the largest market for microwave components, but within 10 years Europe will be the largest. In the past, the U. S. has been the dominant market for TV & radio, but now it is Europe. The European market for military electronics & computers is growing faster than the U. S. market." To retain leadership as supplier of some 2/3 of world electronic production, U. S. companies, Roberts said, must make all "major management decisions on the basis of worldwide opportunity."

JULY PHONO SALES: Paced by increased share of console sales (see p. 9), July distributor sales of phonos were about 2% higher than in July 1962. This was slimmest 1963-over-1962 margin in a year where every month has seen increases over comparable year-before month.

Even though margin over 1962 was slight, July sales can be considered quite good, since comparable month—July 1962—was unusually good sales month, up 18% over July 1961. For first 7 months of 1963, distributor-to-dealer sales were running 20% above comparable 1962 period.

Here are EIA's monthly distributor & factory sales figures, with 1962 comparisons:

PHONO DISTRIBUTOR SALES

	1963			1962		
Month	Port. & Toble	Console	Totol	Port. & Toble	Console	Totol
Jonuory. . .	204,073	112,452	316,525	115.998	103,730	219,728
Februory. .	192,858	137,114	329,792	130,104	109,316	239,420
Morch. . . .	211,745	134,407	346,152	173,056	126,201	299,257
April	169,478	77,252	246,730	129,175	72,017	201,192
Moy	129,535	75,513	205,208	136,405	59,159	195,564
June	215,036	100,007	315,043	203,670	70,856	274,526
July.	211,645	87,336	298,981	214,007	78,293	292,300
TOTAL. .	1,334,370	724,081	2,058,451	1,102,415	619,572	1,721,987

PHONO FACTORY SALES

	1963			1962		
Month	Port. & Toble	Console	Totol	Port. & Toble	Console	Totol
Jonuory. . .	205,955	135,741	341,696	137,090	122,469	259,559
Februory. .	190,352	149,923	340,275	130,495	124,917	255,412
Morch. . . .	200,571	129,142	329,713	166,408	132,075	298,483
April	165,016	76,190	241,206	120,793	62,309	183,102
Moy	123,486	62,723	186,209	132,749	54,543	187,292
June.	305,946	149,253	455,199	247,932	135,605	383,537
July.	230,282	106,766	337,048	220,196	90,197	310,393
TOTAL. .	1,421,608	809,738	2,231,346	1,155,663	722,115	1,877,778

RCA plans to transfer its TV-radio transmitter engineering and production operation from Camden, N.J. to new facilities at Meadow Lands, Pa., near Pittsburgh. Transfer date has not been set, RCA told us, refuting union claim that move is slated to begin Oct. 1. RCA would not comment on statement by high IUE, AFTE, and ASPEP unions that it rejected their joint offer to rebuild at their own expense the building to be vacated, a "deteriorating" 40-year-old structure which RCA says is no longer "suitable." Unions said they were prepared to spend $1.9 million to modernize structure. Also slated for transfer from building is RCA's broadcast antenna operation, which will move to facility now under construction at Gibbsboro, N.J., 20 miles away. Conversely, RCA has transferred from Meadow Lands to Camden its marketing operation for 2-way radio and audio-visual equipment.

EIA TV-radio production figures were again unavailable last week, as in preceding week. EIA spokesman said problem is failure of some companies to report—leaving figures incomplete. He said reason for non-reporting wasn't known.

"World's smallest 10-transistor AM-FM radio" is claim made by Sharp Electronics for its new $39.95 set, which measures 3 1/4 x 4 3/4 x 1 1/2 in.

DISTRIBUTOR NOTES: Olympic Radio & TV appoints new distributors: **John Iverson Co.** (Robert Brown, sales & svc. mgr.), branches in Minot & Mandan, N.D., for North Dakota; **Anderson-Young Electric Co.** (John M. Young, pres.; Ralph V. Mills, secy.-treas.), Lubbock, Texas, for western Texas and eastern New Mexico. Olympic also names **Franklin H. Kark** district sales mgr. for middle-eastern U.S., **Roy L. Thistle** factory sales rep for Maine... **Delmonico International** opens factory branch in Baltimore, at 2330 Hollins St., **Bernard D. Smith** mgr... **Sprague Electric** appoints **Robert Peters** N.Y. state & metropolitan area sales mgr, effective Jan. 1... **Minnesota Mining's Revere-Wollensak Div.** names **David Gassner** eastern regional sales mgr. for consumer products, **H. B. LaGrandeur** western regional sales mgr. for consumer products, both new posts... **Olympic Radio & TV** names **Thomas A. Cutler** pres. of Olympic TV of Missouri, St. Louis... **Sylvania** appoints **McGregor Distributing** (Malcom Bates McGregor pres.), 511 W. Olive St., Springfield, Mo., distributor for 31 Missouri counties, Kansas's Cherokee & Crawford counties, Oklahoma's Delaware & Ottawa counties... **Roberts Electronics** names 7 new distributors: **Sidles Co.**, Des Moines, Ia., **Roskin Distributors**, Hartford, Conn., **Bluff City Distributing**, Memphis, Tenn., **Choquette & Co.**, Providence, R.I., **Clairvais Corp.**, Endicott, N.Y., **Allied Appliance**, Cambridge, Mass., **Miller Jackson Co.**, Oklahoma City, Okla.; appoints **Roy J. O'Donnell** regional mgr. for Montana, Utah, New Mexico, Colorado, southern Idaho, El Paso, Tex.; **O. B. Elliott** regional mgr. for the Carolinas. ... **Sylvania** will sell direct in Washington, D.C. market, succeeding distributor **American Wholesalers.**

Labor news: Westinghouse has proposed to its 4 national unions a 3-year labor contract providing 2 pay increases averaging 14¢ an hour and improved fringe benefits. A 7¢ increase begins when pact becomes effective, will be followed by 5-10¢ boost April 1965. Current pact with IUE, IBEW, UE & Federation of Westinghouse Independent Salaried Workers expires Oct. 15. These 4 unions represent some 67,000 of Westinghouse's 115,000 workforce... **GE refuses to bargain** in good faith, IUE protested to NLRB last week. GE has offered 5% wage increase but, union accused, has adopted "take it or leave it" attitude. GE denied charge, said it still stands on 5% offer but has made "substantial concessions" in other benefits. Shortly after filing charges, IUE accepted GE proposal for 3-year contract on wages, 5-year pact on benefits. Two 2.5% wage boosts provide 7¢ increase retroactive to Sept. 23, another 7¢ in April 1965. IUE, which represents some 70,000 GE workers, had sought 7 1/2¢ boosts, plus cost-of-living adjustments. Comparing GE & Westinghouse offers, IUE spokesman estimated former's total package at 23¢ an hour, Westinghouse's at about 20¢.

New transistor radio line was announced last week by ITT's Distributor Products Div. All packaged with accessories, they are: 6-transistor pocket radio, $14.95; 8-transistor, $14.95; 9-transistor, $34.95; 9-transistor AM-FM, $39.95; AM-FM battery or AC walnut finished AM-FM stereo radio in walnut finish cabinet, $169.95.

Admiral is now producing 10,000 TV and radio sets daily, including more than 500 color receivers, has boosted employment at its Harvard, Ill. electronics facility to record 3,600 from 2,450 last year. Plant is now running a 2-shift operation.

Trade Personals

William E. Boss, longtime (15 years) RCA TV executive & color TV coordinator, and most recently exec. vp of distributor Southern Wholesalers, Washington, D.C., joins Admiral as b&w TV sales mgr., a new post.

Joel J. Zimmer, former asst. to pres., elected vp of Symphonic Electronic Corp. and its subsidiary Symphonic Radio & Electronic Corp.

Milton Selkowitz, former national sales mgr. of defunct CBS Electronics' Columbia Phonograph Dept., and gen. mgr. for past year of Sealy Mattress (Vol. 2:49 p11), joins Audio Dynamics, New Milford, Conn. audio components maker, as mktg. dir.

John L. Burns, former RCA pres., now Rawlings Corp. chmn. (Vol. 3:36 p11), elected to boards of General Battery & Ceramic Corp. and Russell, Burdsall & Ward Bolt & Nut Co. He's also a dir. of A & P, Oxford Paper Co., Worthington Corp. and State National Bank of Conn., and a consultant to RCA.

Webcor forms 3-man management team—**Paul Roth**, marketing, **John Luttrell**, finance, **Herbert Gumz**, manufacturing—reporting to Chmn.-Pres. **Titus Haffa**.

John Hanway promoted to ITT administrative dir.

Milton J. Shapp, Jerrold chmn.-pres., receives "President's Achievement Award" from alma mater Case Institute of Technology.

Frederick T. Henry promoted to commercial product engineering, Sylvania Home & Commercial Electronics Div.

S. Edward Franklin joins General Instrument's F. W. Sickles Div. as operations vp, headquartering at Chicopee, Mass.

Harold J. Ruetz appointed mgr. of Dominion Electrohome's new Product Development Div.; **Leo F. Fitzpatrick**, consumer products gen. sales mgr., also named Consumer Products Div. mgr.; **Norman E. Bartlett**, private trade label sales mgr., also appointed Private Trade Label Div. mgr.

Charles J. O'Donnell appointed Standard Kollsman Industries operations vp.

James W. Evans promoted to exec. vp of Hazeltine's Hazeltine Electronics Div.

Charles O. Cary named mktg. vp, Hazeltine's Hazeltine Electronics Div.; **M. S. Wilson** appointed vp.

Theodore L. Jacobsen appointed mktg. dir. of Litton Industries' Westrex International Div.

Robert J. Stahl named Sylvania product planning mgr., a new post... **Harvey G. Foster** appointed GT&E Service Corp. security dir.

Walter W. Slocum, International Resistance pres., elected a Leeds & Northrup dir... **John H. Rubel**, former Asst. Defense Secy. for research & engineering, named Litton Industries vp & technical planning dir.

Lou Burdick rejoins Webcor as distribution mgr., succeeded by **Harry Ellis** as Argus Inc. tape recorders product mgr. Ellis also continues as catalog sales merchandise mgr.

Everett F. Carter named mfg. mgr., Sylvania Chemical & Metallurgical Div., a new post.

Dr. Elmer W. Engstrom, RCA pres., receives first annual Aerospace Electrical Society award Oct. 9 in Los Angeles for his contributions to data processing management techniques in aerospace industry; others to be honored by AES are NASA administrator James E. Webb and Rep. George P. Miller. (D-Cal.).

Dr. Robert N. Hall, GE Research Labs physicist, will receive IEEE's David Sarnoff Award in Electronics at Oct. 30 National Electronics Conference, Chicago, "for his outstanding contribution to the scientific understanding of semiconductors and for their application to electronics."

John P. Buchan, Ampex finance vp & treas., also named controller, succeeding **John N. Latter**, recently appointed Consumer Products Div. vp-gen. mgr. (Vol. 3:37 p11).

Robert G. Shortal, onetime vp asst. financial editor, joins RCA's Public Affairs staff.

Leonard L. Rosenfeld promoted to Jerrold mgr. of manufacturing.

Obituaries

Emil J. Simon, 74, radio communications pioneer and founder & pres. of Intercity Radio Telegraph Co., died Sept. 14 of heart attack at Midtown Hospital, N. Y. He had numerous radio developments to his credit: Simon radioguide, host of military communications devices. Intercity Radio Telegraph, founded in early 1920s, linked 6 cities. It was liquidated in early 1930s. During World War II, Simon directed production of military radio equipment at Radio Navigational Instrument Co., N. Y., was a radio consultant in his later years.

Howard G. Stokes, 75, retired AT&T radio ad mgr., died Sept. 21 in St. Luke's Hospital, Utica, N. Y. He joined Bell System in 1911 as ad copywriter, retired in 1948. Several of his posts included: educational dept. development mgr. of Western Electric subsidiary Electrical Research Products (1929-31), AT&T ad supervisor (1936), radio ad mgr. (1946). He is survived by widow, son, daughter.

Extension of deadline for filing replies to Symphonic's treble-damage anti-trust suit (Vol. 3:29 p7) was requested last week by attorneys for Nippon Electric N. Y. Inc. and Sumitomo Shoji N. Y. Inc., firms named among defendants. The firms are scheduled to file motions in N. Y. Federal Court Oct. 1 to postpone date for answering complaint from Oct. 7 to Dec. 7. Both firms claimed their investigations required much work in Japan. Attorney for NEC N. Y. is Robert L. Clare Jr. of Shearman & Sterling; Sumitomo Shoji N. Y.'s counsel is Stewart W. Richards of Beer, Richards & Haller. Symphonic is represented by Milton R. Wessel of Keye, Scholer, Fierman, Hays & Handler.

Admiral has been guilty of discriminating in prices and promotional allowances to its TV, radio and other product retailers, FTC examiner Loren H. Laughlin charged in an initial decision. He reported that Admiral in 1956 & 1957 charged larger dealers lower prices than their smaller competitors for the same products in Milwaukee, N. Y. and District of Columbia trading areas. Promotional allowances to certain retailers were not made equally available to competitors, he also charged, and called for desist order.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Arrow Electronics	1963—6 mo. to June 30	$ 2,519,700	$ 48,000	$ 24,500	$ .06	430,000
	1962—6 mo. to June 30	2,513,400	112,000	55,000	.13	430,000
Avco	1963—9 mo. to Aug. 31	381,342,360[1]	34,465,770	16,515,770[1]	1.48	11,163,726
	1962—9 mo. to Aug. 31	288,908,388	25,893,933	12,390,933	1.14	10,885,903
	1963—qtr. to Aug. 31	135,061,647[1]	—	5,358,994[1]	.48	11,163,726
	1962—qtr. to Aug. 31	103,209,830	—	4,017,808	.37	10,885,903
Friendly Frost	1963—6 mo. to July 31	12,386,013	—	(54,858)	—	937,620
	1962—6 mo. to July 31	14,864,857	—	(181,215)	—	937,620
Gulton Industries	1963—6 mo. to Aug. 31	14,712,000	439,000	215,000	.17	1,260,000
	1962—6 mo. to Aug. 31	14,471,000	1,441,000	704,000	.62	1,131,370
	1963—qtr. to Aug. 31	8,027,000	467,000	229,000	.18	1,260,000
	1962—qtr. to Aug. 31	7,516,000	693,000	340,000	.30	1,131,370
Outlet Co. (WJAR-TV Providence)	1963—year to July 27	19,290,079	1,709,258	854,577[2]	1.72	497,100
	1962—year to July 27	19,353,693	2,091,398	990,827	1.99	497,100
	1963—6 mo. to July 27	7,978,183	321,831	177,331	.36	497,100
	1962—6 mo. to July 27	8,142,373	707,012	336,347	.68	497,100
Screen Gems	1963—year to June 29	64,377,000	7,562,000	3,800,300[1]	1.50	2,538,400
	1962—year to June 30	52,188,900	7,063,200	3,466,300	1.37	2,538,400
Wometco Enterprises	1963—9 mo. to Sept. 7	14,826,918	—	1,514,068	1.04	1,438,968
	1962—9 mo. to Sept. 8	13,099,915	—	1,317,031	.92	1,008,857
	1963—qtr. to Sept. 7	4,876,176	—	470,608	.32	1,438,968
	1962—qtr. to Sept. 8	4,184,814	—	400,834	.28	1,008,857

Notes: [1]Record. [2]Before $68,586 non-recurring costs.

MERGERS & ACQUISITIONS: Warwick Electronics & **Pacific Mercury Electronics** shareholders have approved proposed merger plan (Vol. 3:34 p11) under which former will be survivor and Pacific Mercury will become an operating division. Approval of Cal. Corp. Commission also is required... **ITT** has agreed in principle to acquire for some $15.9 million in stock **Gilfillan Corp.** of L. A., radar pioneer and early TV set producer. Proposed acquisition, subject to approval of Gilfillan shareholders and boards of both firms, calls for issuance by ITT of 0.1283 share of common and 0.068 share of cumulative preferred ($100 par value with 4% dividend, convertible into ITT common at $65 each) for each Gilfillan common share... **Raytheon** has acquired for undisclosed sum name and certain assets of **Sideband Engineers Inc.**, Rancho Santa Fe, Cal. maker of amateur radio transceivers... **Wometco Enterprises** has agreed to purchase for more than $1 million cash **Coca-Cola Bottling Works of Nashville**, Tenn., which also operates plants in Lebanon & Springfield, Tenn. and holds 50% interest in bottling companies in Dickson & Columbia, Tenn.

Ravenswood Corp., Annapolis, Md. maker of stereo equipment, reportedly has been seized by Internal Revenue Service for alleged non-payment of $42,181 in excise taxes (4th quarter of 1962 & first half of 1963) and $20,742 in withholding taxes for 1963's 2nd quarter. We called Ravenswood for confirmation and details, were notified that company phone has been disconnected.

Metromedia expects 3rd quarter earnings to climb to "more than 20¢ a share" from 14¢ ($271,036) a year earlier, and total year profits to rise to "at least $2 a share" from 1962's operating net of $1.40 ($2,489,639). Richard L. Geismar, vp & treas., also reported Jan.-Aug. broadcast revenue rose 30%, earnings 40%, said "we hope to pay a little more in dividends next year if earnings warrant." Sales in 3rd quarter are foreseen at "about $17 million" vs. $12 million year earlier, at "about $65 million" for total year vs. $53.1 million.

National General believes earnings in its 1963 fiscal year ended Sept. 25 rose to $3.5 million from fiscal-1962's $2.3 million on sales of some $48 million vs. $43.5 million. Pres. Eugene V. Klein reported experiments on joint GE-National General national theater TV network system (Vol. 3:9 p3) are nearing completion at Westwood, Cal., said system will be operating in 10 theaters by May Company is now "husbanding cash for our projects," he said, but likely will consider paying cash dividends "within the next year or 2."

Purolator now owns "about 30%" of Tung-Sol's 926,826 outstanding shares, indicating gain of 148,000 shares from its tender offer (Vol. 3:38 p12), which expired Sept. 26. Purolator Pres. James D. Abeles said firm hasn't "decided yet" on another tender offer, explained company bought Tung-Sol at $22 a share when it was listed at $17 because any "definite buying" on market "would have pushed the stock out of range."

WEEKLY **Television Digest** with **Consumer Electronics . . .**

NAB LIBRARY

The authoritative service for executives in all branches of the television arts & industries

OCTOBER 7, 1963 NEW SERIES VOL. 3, No. 40

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

CODES, COMMERCIALS, COMMENTS, CONFLICT—as industry attacks FCC plan to limit commercials, NAB's Collins calls for more powerful Code Dir. (p. 1).

VHF DROP-INS STILL UP IN AIR after long oral argument. Hoped-for immediate decision fades as FCC decides it needs more discussion. Final vote now expected in month (p. 2).

ETV MAKES BID as important program force with new $6-million grant for 1964 by Ford Foundation, which ends support of school TV but implies continuing money for programs; NET reorganization eliminates instruction TV (p. 2).

ARF WANTS HAND IN RATINGS REFORM: Conference heard ARF will get into methodology research. Compton's Cummings says ARF should become "watchdog." Howze urges admen to cooperate in clean-up efforts to head off legislation (p. 3).

RKO–CATV GIANT WITH 100,000 CUSTOMERS—after deal with H & B American. Good nucleus for cable pay-TV is provided (p. 4).

STANTON & SALANT ON EDITORIALS & NEWS: CBS pres., at radio affiliates meeting, urges more editorializing, cautions against abuse. Salant hits at 'check-book journalism' (p. 5).

Consumer Electronics

FCC NOT KIDDING on all-channel law, notifies industry it won't abandon uhf and plans no postponement of effective date, despite rumors to contrary; dislocations seen likely next spring, unless all-channel output accelerates soon—and that's not likely (p. 7).

NO 11-IN. TV DATA from EIA this year, as GE withholds statistics; dispute almost breaks up EIA data program, but compromise solution promises figures after year's end (p. 8).

RCA'S WONDERFUL WORLD of color outlined by Saxon & Williams, predicting company's color set dollar volume will surpass total of all other home entertainment products combined next year; new color survey (p. 8).

UNIQUE STEREO PRODUCTS—"Music Modules," halfway between components & packages, and phono with speakers built into headrest cushion, introduced by GE, along with its first tape recorder (p. 11).

CODES, COMMERCIALS, COMMENTS, CONFLICT: It was another troubled week for industry in Washington, mostly involving freedom & money, following FCC Chmn. Henry's big anti-commercial blast (Vol. 3:39 p1). Industry filed comments on FCC's proposal to put ceiling on commercials—gave it heavy barrage. NAB Pres. Collins exhorted TV and Radio Code Review Boards, in separate meetings, to get tougher or expect govt. to squeeze harder—got about 50-50 results.

Comments filed in FCC's proceeding came from every source—networks, group owners, attorneys, individual operators. There was much carefully considered argument, surprisingly little vituperation. But Henry got mighty few suggestions on how to impose commercial strictures, of type he called for in IRTS speech.

Similar themes ran through most comments. Violation of First Amendment... Censorship... Non-workable... Unwise... What is over-commercialization?... Usurpation of Congressional power ... Impossible to police... Rigid mold... Complaints minuscule... Would get FCC into details of daily operation... Rate-making, etc.

Several comments suggested that FCC stick to its July 1960 policy statement: Require stations to state their policies—then to rationalize any departures therefrom.

For the life of us, we can't see where FCC is going to come out on this—and we don't think Commission knows, either. There should be some clue when Rep. Rogers (D-Tex.) conducts his hearings on bill to block FCC proposal this month or next (Vol. 3:39 p2). We understand, incidentally, that

FCC this summer received 189 letters from congressmen, complaining about commercial-ceiling proposal.

* * * *

NAB TV Code Review Board session wasn't a happy one. Pres. Collins appealed for tougher Code. Some Board members said they considered his ideas too general, asked for specifics: Where had Board and Code Dir. Robert Swezey been too lax? Collins' view was that it's Code Dir.'s job to supply the specifics—also that latter should exercise more power and leave less to Board. Collins has said that over-all TV Board, in establishing Code Dir. job, intended that Dir. wield broad powers and that Review Board be limited to "reviewing" and advising.

Despite differing views, Collins & Swezey maintain good personal relations, and latter is staying on half-time at half-pay until Fall Conferences end. Then, presumably, Collins will pick new man—subject to Board confirmation.

Collins made 10-page statement to each Code Board, urging: "There should be acceptance of the proposition that the prime purpose of the Code is to serve the best interests of the public... I have made this statement to broadcasters, and some have seemed startled. But this is no novel interpretation of mine," noting that Code and NAB Charter play up service to public as main purpose.

NAB shouldn't wait for trouble, Collins said, but should head it off by "greater effort in research ... conferences, workshops and other meetings in which talent and representatives of the public would be invited to participate along with broadcast management personnel."

TV Code Board members left session in glum mood, uncertain about where they go from here. Radio Code Board reacted more favorably. At least it issued a statement saying it "agrees in principle with the general goals pictured by Gov. Collins and in the absence of specific recommendations called for the subcommittee studying commercial limitations to meet on Dec. 6 and to bring back definite proposals... "

Both Boards issued statements strongly commending Swezey—TV Board also enumerating major contributions. TV Board voted to ask 8 stations to resign because of violations; Radio Board knocked off 20. Nine more TVs are in jeopardy.

VHF DROP-INS STILL UP IN AIR: No vhf drop-in decision yet—though FCC treated industry to cliff-hanger evening of Oct. 4. Commission held oral argument all day, planned to meet immediately, vote. But after half-hour session starting 7 p.m., Commission announced it didn't have time to reach decision. Chmn. Henry was to leave next day for Europe—so final action isn't expected until end of month

As befits one of most-argued subjects in FCC history, attorneys' presentations were excellent, commissioners' questions intelligent. Each combatant sought solace in questions & comments of commissioners, occasionally thought he found some.

It's still up to Comr. Loevinger. There's no evidence to indicate others have changed minds: Hyde, Ford & Cox for drop-ins; Henry, Bartley & Lee against. Every question & gesture from Loevinger was regarded as hopeful omen—by one side, then the other. All attorneys played on his predilection for competition, diversification of ownership, multiplicity of outlets. He was learning fast.

Nothing really new was thrown into the pot, but issues were sharpened to utmost in this, one of FCC's most difficult decisions. Turnout was heavy, including many out-of-town hopefuls—eager to see another vhf channel put in their communities, or kept out.

Fact that Commission couldn't reach decision quickly was generally interpreted as increasing chance of reversal somewhat—speculation being that Loevinger hadn't yet made up his mind.

ETV MAKES BID AS REAL PROGRAM FORCE: Ford Foundation's $6-million grant to NET for programming in 1964, together with NET's reorganization & reorientation, represents beginning of new phase of ETV development.

Here is significance of developments: (1) The grant, following by 4 years Ford fund's "terminal grant" to ETV, carries with it tacit admission that ETV programming will always need big subsidies, and commitment to virtually indefinite support so long as Foundation is satisfied with results. (2) Foundation will make no more major grants for instructional (school-type) programming, leaving it

to tax-supported govts. & school districts to take over this field. (3) NET is divesting itself of its instructional programming activities, closing its Washington office (which worked to help develop ETV stations) and will function exclusively as programming network.

NET's activities will be concentrated on production of 5 hours of "original high-quality program material each week"—of which at least 50% will be devoted to public affairs. As announced earlier, NET will leave radio networking field and change its name to National Educational Television (from National ETV & Radio Center).

In addition to supplying them with higher quality programming, Ford Foundation grant will help individual ETV stations by eliminating NET affiliation fees, which formerly totaled $585,000 yearly (N. Y.'s WNDT, for example, paid $20,000), and substituting nominal fee of less than $100 annually.

NET's budget for 1964 will be a record $7.7 million, according to Pres. John F. White, up from $6 million this year. The additional $1.7 million will come from grants from other organizations, interest, income from foreign sales & NET film service. Said White: "What this grant does for us is take us off the streets in hunger. We've got to have free dollars to do things which are important, rather than what will sell." NET now will have own producers & production teams, rather than relying on those of affiliated stations, although it will not have own studios.

Including the new $6 million, Ford Foundation has now played angel to ETV projects to tune of $86.4 million—including such programs on commercial stations as "Omnibus" and "Continental Classroom." Of 81 ETV stations currently on air, 75 are affiliated with NET. At joint Ford Foundation-NET news conference in N. Y. last week, White predicted NET would have 95 affiliates by end of next year. First results of grant will be noticed immediately in terms of new programming, he said, but major impact will be on 1964-65 program schedule.

ARF WANTS HAND IN RATING REFORM: Ad executives and broadcasters, who expected ratings reformers to pack up their slide rules & commandments, and steal away as soon as heat was over were jarred into reality at last week's Advertising Research Foundation conference. Need for reform was underscored not only by govt. spokesman, but also by top ARF officials, who added to confusion by indicating they were all set to duplicate at least part of NAB's Rating Council work.

In literate presentation, Charles Howze, Harris Subcommittee chief counsel, paralleled ratings problems with securities mess of 3 decades ago—which led to forced disclosure of all stock information under 1933 Securities Act. He said Washington believes there's something "radically wrong" with audience research, that legislation is being discussed but can be headed off by support for industry-sponsored cleanup efforts. He pointed to NAB's plan, RAB's radio methodology study and studies planned by ARF to improve "market research."

ARF Vice Chmn. Dr. Lyndon Brown announced that organization would concentrate "large part of its activities" on methodology research to improve techniques. This would cover one of 3 phases of Rating Council plan.

Compton Advertising Chmn. Barton Cummings would go further, said he thinks ARF ought to become "watchdog" to insure that "independent research services adhere to correct standards of data collection and dissemination." This would match remaining 2 phases of Rating Council plan—setting of standards & audit.

NAB's official position is that it welcomes all help, but actually it's seething at renewed efforts to get ARF into ratings reform. ARF spokesman told us that exact direction it will take is not yet certain—whether it plans only methodology research or will get into "watchdogging." Plans have been designed, but board has yet to pass on them.

It's curious that some admen are anxious to see ARF get into ratings clean up, while AAAA & ANA are reluctant to join Rating Council board because they say reform is broadcast industry problem.

Pressing for change, Howze told conference: "There seems to be, at least among some broadcasters and advertising people, a great reluctance to concede that the role of the rating services is as pervasive in American broadcasting as I am persuaded it is. This reluctance amounts almost to a conspiracy of silence." He repeated his advocacy of reporting ratings in ranges to give "recognition" to "element of statistical variance."

"There is nothing wrong with the pursuit of certainty," he said. "But an illusory certainty can be fraught with danger. During our hearings, the idea was expressed several times that some figures, however inaccurate, are better than no figures at all. In view of the amounts of money spent each year on broadcast advertising, I would urge a searching reconsideration of that notion." Alluding to Securities Act, Howze said "single dominant obligation" of stock issuers was "disclosure" of information to protect investors, conceding that Act doesn't pretend to protect those who would rather rely on "hot tip."

He also expressed hope that FTC would take "increased interest" in ratings week "hypoing" by broadcasters, said agencies & advertisers should be willing to pay more for improved research. He stated that under FCC rules, broadcasters can't solely program by numbers, urged ad community to "voluntarily assume responsibilities to the American people commensurate with those required of broadcasters."

Regarding plans for methodology research, ARF's Brown noted that group is consulting with RAB on its study, is "supervising" ARB studies on non-cooperation of diary keepers and possible bias in using sample drawn only from "listed" telephone numbers. He said specific costs for technique research would have to be underwritten by agencies, advertisers and/or media. Cummings called on ARF members to donate money to special fund to investigate audience measurement practices.

TvB Pres. Norman (Pete) Cash came out officially for reporting ratings in ranges—"as the needed red flag." He added, however, that research experts say that "traditional range of error statistics cannot be applied to our audience measurement techniques." This in no way reduces our need for such figures, he said, urging that proper techniques be developed.

Sindlinger & Co. held Washington demonstration last week, displaying method to show statistical range, using IBM 1401 computer. Company says range can be reported for every radio & TV rating produced for its national & local reports. Effective immediately, Sindlinger said, each rating will show low, middle & high points.

At Chicago RAB Management conference last week, Robert E. L. Richardson, former Harris Subcommittee ratings investigator, defended himself against critics of his Dallas speech few weeks ago (Vol. 3:38 p3). He said he's not seeking more broadcast clients as ratings consultant (he'd already signed Gordon McLendon), repeated his intention to run for Congress next year. He also disputed charges that his ratings validation plan is impractical. He said ARB & Hooper both told him they'd be willing to have all their work checked.

Richardson's proposed plan would have ratings re-checked from interviewing to tabulating, was criticized for placing too heavy a burden on rating companies. We were also told by govt. source that not even FCC would require such checking by licensees.

RKO—CATV GIANT WITH 100,000 CUSTOMERS: Far-&-away biggest CATV operator—grossing perhaps more than $4 million annually from some 100,000 subscribers—will be RKO General, under deal whereby it will acquire control of H & B American Corp. For pay-TV enthusiast RKO, which is testing over-the-air toll TV in Hartford, deal gives it very respectable-sized nucleus for cable-TV pay system whenever it chooses to move that way.

Deal is subject to vote of H & B stockholders in Dec., presumably no problem. It puts together RKO's 27 systems with 30,000 subscribers and H & B's 24 systems serving 70,000. H & B is also building 4 more, has franchises for additional 3.

Agreement is rather complex: RKO subsidiary Video Independent Theatres will acquire 1,550,000 H & B shares in exchange for all stock of VIT subsidiaries Vumore Co. & Mesa Microwave. VIT also agrees to lend up to $2 million to H & B. VIT, which had previously bought substantial H & B stock on open market, will end up with about 56% of the 4,626,000 H & B shares which will be outstanding. H & B earned about $1.4 million, before depreciation, on sales of $4.45 million in fiscal year ended July 31, has tax credit of $3 million from previous losses. In same year, Vumore & Mesa had net operating profit, before taxes & depreciation, of about $1.16 million on $2.2 million sales.

CATV & broadcasting industry continue to churn, meanwhile, with reports & rumors of system acquisition by more & more telecasting entities. Even networks are reported getting hot.

STANTON & SALANT ON EDITORIALS & NEWS: Rare presentation of serious industry-wide problems, rather than network economic & programming issues, highlighted 10th annual CBS Radio Affiliates Assn. Convention in N. Y. last week:

(1) CBS Pres. Dr. Frank Stanton urged broadcasters to editorialize: "If we do not use the right... we will lose it." He also cautioned against abusing power because it would invite "troublesome and dangerous regulation." Stanton said editorializing was not a "privilege" bestowed by FCC. "I think that the Commission was doing no more than recognizing a right that has its roots in the First Amendment," he said. Stanton declared that CBS-owned stations were among those that at first showed "timidity" & "indecision" toward on-air advocacy. He added, however, that in past 5 years owned radio & TV stations have carried over 1,800 editorials.

(2) CBS News Pres. Richard Salant used occasion to attack "check-book journalism"—paying for exclusive rights to cover hard-news stories. As example, he pointed to Fischer quintuplets, whose story rights were bought by "Saturday Evening Post." He called practice a disservice to public & profession. "When we start treating news stories like baseball or football games, and bid for them as though they were sports, journalism is in trouble," he said.

CBS Radio Pres. Arthur Hull Hayes reported that network time, on average, has been 80% sold out since March; in some weeks, it exceeded 90%. Station payments for 1963 will more than double estimates made when new compensation plan was announced year ago. Michael Hanna, WHCU Ithaca, was named affiliates' chmn.

Three new tall towers, found to contain "deviations" in steel, are being replaced by Bethlehem Steel and builder Kline Iron & Steel Co., Columbia, S. C. Discovery was made as 2,069-ft. tower for KEND-TV Fargo (formerly KXGO-TV) was being fabricated. Bethlehem replaced "a number of steel members," said Bernard Kline, pres. of construction firm. It was then found, said Kline, that steel for 2 other towers had come from same lot—partially-erected one for WGHP-TV High Point, N. C. (1,252 ft.) and completed structure for WIBW-TV Topeka (1,255 ft.). Replacement tower at High Point has been "topped out," said Kline. Changes in other tower are "going forward." Thad Sandstrom of WIBW-TV stated: "Kline moved quickly and without compromise to correct fully the problems arising through no fault of theirs."

Sale of WMTW-TV-FM Mt. Washington, for about $4 million, is under discussion with 3 prospective buyers, including Jack Paar. Pres. John W. (Duke) Guider said his continuation as gen. mgr. would be up to purchaser.

Metromedia has sold KOVR Stockton-Sacramento to McClatchy Newspapers, subject to FCC approval, for just under $8 million.

Los Angeles ETV Ch. 28 application has been filed by Community TV of Southern Cal., which also seeks $500,000 construction funds from HEW.

"ABC-TV Hootenanny," new magazine "inspired" by the program, goes on newsstand Oct. 29.

FTC should set standards so that TV commercials at least "will appear to be telling the truth," U. S. 5th Circuit Court of Appeals in New Orleans suggested last week as it upheld FTC decision against Carter Products commercial. Commission charged that Rise ad used special foaming agent in place of ordinary lather. FTC last week also issued consent order forbidding Chesebrough-Pond's from making certain claims in Vaseline commercials, e.g. that product affords substantial protection against infection. Another consent order, against Vitamin Industries, prohibits false therapeutic claims for Guardian 12 Plus Vitamins, Guardian A/D/E Plex, Cal Plex F Vitamins. Commercials claimed products would treat arthritis & rheumatism symptoms, among others.

Special film on govt. problems may be shown to lead-off session next week of NAB fall conference, if difficulty of combining different film sound standards can be overcome. Currently being prepared by Hollis Seavey, NAB govt. relations mgr., film would be 6-8 minutes long, would feature Congressional comment on broad range of problems, especially editorializing, fairness, equal time, commercial limitations. Participants: Sen. Pastore (D-R. I.), Reps. Harris (D-Ark.), Rogers (D-Tex.), Younger (R-Cal.), Broyhill (R-N. C.). Footage of Rogers, who plans hearings on his anti-commercial ceiling bill, was filmed in Amarillo last week; Harris appearance would be excerpted from recent Metromedia interview.

Equal time suspension for 1964 Presidential & Vice Presidential campaigns was voted by Senate last week, clearing way for another series of debates as well as greater coverage of major party candidates. Senate made minor changes in House-passed H. J. Res. 247. One makes suspension of Sec. 315 apply for only 60 days—Sept. 4-Nov. 2. House voted for 75 days before it was known that Democratic Convention would be held late in Aug.

Ch. 37 will be reserved for radio astronomy for 10 years, FCC decided last week, Comrs. Lee & Cox dissenting. Ruling won't affect present TV service. Commission said it will propose in planned revisions of uhf allocations table a substitute for Paterson, N. J., where channel has been applied for. Similar action will be requested of Canada & Mexico, FCC said, and it will recommend world-wide reservation.

Broadcaster has same responsibility to public as does newspaper publisher or merchant, William Ray, FCC complaints & compliance chief, told Missouri Bcstrs. Assn. last week. "He has a responsibility to make a profit because if he doesn't his product will suffer and he'll go broke," he said. If there are too many commercials, he'll reach point of diminishing returns, Ray stated.

Delay of pay-TV start in Denver over KCTO for one month has been granted by FCC. A 6-month extension was requested, but FCC wants information on: (1) Equipment status. (2) Solicitation of subscribers. (3) Program availability. Pay-TV proponents are satisfied they'll get 6 months after supplying data; it would be 3rd 6-month extension.

NAB-RAB liaison committee meets this week to explore areas of cooperation and possible joint ventures. Not on agenda is subject of whether NAB will co-finance radio ratings methodology study. That project is in hands of NAB Research Committee.

Personals

James M. Seward, CBS Radio exec. vp, presented Gold Mike award by affiliates for 30 years "affiliation"... **Gerald E. Rowe** promoted from mgr. to dir., NBC audience advertising & promotion.

John Scuoppo, NBC-TV promotion mgr., promoted to promotion dir... **Russell G. Van Arsdale,** ex-WJAR-TV Providence, appointed news dir., KTTV Los Angeles.

George E. Shannon promoted to business affairs dir., WCBS-TV N.Y... **George Johannessen,** ex-ARB, rejoins Edward Petry & Co. as TV salesman; at one time he was Petry TV research dir... **Steven F. Beard Jr.,** Blair TV Dallas mgr., & **Gabriel P. Dype,** Detroit mgr., elected vp's.

Joel Chaseman, WBC Productions gen. mgr. & "Steve Allen Show" exec. producer, promoted to Group W project dir., succeeded by **Chet Collier,** program mgr., KYW-TV Cleveland.

Jack Alstrop, distribution mgr., BBC Sound Transcription Service, promoted to BBC U.S. representative, succeeding **Dennis Scuse,** who returns to London as gen. mgr., BBC TV Enterprises.

Richard J. Anderson, ex-KOVR-TV Sacramento-Stockton, named engineering mgr., KTTV & KLAC Los Angeles; **David Gordon,** ex-Screen Gems & CBS-TV, appointed publicity & exploitation dir., WNEW-TV N.Y.

Allan S. Timms, ex-ITA electronics sales mgr., joins Adler Electronics Industrial Products Div. as field sales engineer.

John Griffin, ex-news dir., KSLA-TV Shreveport, appointed to similar post, WTAR-TV-AM-FM Norfolk, succeeding **Clayton Edwards,** who joins NASA... **Lloyd Dobyns** promoted to news dir., WAVY-TV-AM Norfolk, succeeding **Vern Jones** who joins UPI Newsfilms as Washington bureau chief.

James W. (Bill) Mansfield, production coordinator of Army's "Big Picture" TV series, named NAB audio-visual mgr., succeeding **Arthur D. Stambler,** who resigned to open production firm; Mansfield retires from Army Oct. 31 as sgt. major.

Robert Brewster, marketing dir., KHOL-TV Kearney-Holdrege & KHPL-TV Hayes Center, promoted to station mgr.; **Marlyn (Moe) Milliken,** program dir., promoted to asst. station mgr.

Clyde M. Hunt, engineering vp, Post-Newsweek Stations, named chmn., NAB Convention's Engineering Conference Committee.

FCC retirements: Helen A. Clark, library div. chief, after 28 years; **Francis Keefe,** admin. asst. to chief, Field Engineering Bureau, after 21 years.

National & international reps: KFEQ-TV-AM St. Joseph, Mo., names Avery-Knodel; KTVW-TV Seattle-Tacoma & KCTO-TV Denver to Roger O'Connor. Arab Middle Eastern Network, with TV stations in Syria, Jordan, Kuwait, Iraq & Lebanon, names ABC International; Ch. 11 Beirut (Tele Orient), associated with ABC International, is flagship station.

Tele-Tape Productions and Video Industries Corp. of America merge, will use former's name.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington, D.C. 20006
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N.Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

TV homes in U.S. total 50,433,100, increase of 1,404,000 since last year, ARB reported recently. California replaced N.Y. as state with most TV homes—5,101,000 to 5,046,400. TV penetration is greatest in Rhode Island & New Jersey, 96%. New England tops regional penetration with 94%.

NABET & KTTV Los Angeles have signed 6-year agreement, described as longest engineers' contract ever negotiated. It calls for immediate salary increases, inclusion in pension plan of union employes during contract period, improvement of sick leave benefits, grievance machinery, severance pay for terminations resulting from automation.

"Oscar of Industry" trophy for best stockholder report in broadcasting industry will be presented Oct. 30 to Metromedia. Runners-up in broadcasting category of "Financial World's" 23rd Annual Report Survey: CBS, 2nd place, and AB-PT, 3rd.

"What Government Should Know About Advertising," AAAA booklet containing brief explanations of 6 economic benefits derived from advertising, has been distributed to nearly 1,700 Congressional & federal officials.

New color origination equipment—including live cameras to permit colorcasting of next year's Mets' games—has been ordered by RKO General's WOR-TV N.Y. Currently, NBC's WNBC-TV is only N.Y. station airing regular local live color shows.

TV version of "The Advocate," to be presented simultaneously with Oct. 14 Broadway opening, was taped at Videotape Center last week. It will be seen on 5 stations of Group W, originator of project.

NBC's annual affiliates' convention will be held at Beverly-Hilton Hotel, Los Angeles, Dec. 2 for 192 radio stations, Dec. 3 for 203 TVs.

WWRL N.Y., Negro-appeal station, sold for more than $2 million by William Reuman to Egmont Sonderling & associates.

SESAC will sponsor annual community service award for public service by New Jersey station, in conjunction with New Jersey Bcstrs. Assn.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

FCC NOT KIDDING ON ALL-CHANNEL: FCC last week took official note of rumors, innuendos and foot-dragging among set manufacturers by releasing statement which said, in no uncertain terms: (1) It is committed to uhf and will not abandon it. (2) It intends to enforce all-channel law. (3) It has no intention of postponing law's April 30 effective date.

Some industry leaders, meanwhile, are becoming increasingly concerned about potential uhf tuner emergency next spring. All-channel set sales have not increased as anticipated—and instead of gradual rise in percentage of all-channel sets, many feel there will be mad rush in April to increase all-channel sets from about 25% to the required 100% of production. If this should happen, they fear temporary shortage of tuners could cause major dislocation.

Last few weeks have seen increase in tempo of rumors that Commission will abandon uhf for close-spaced vhf assignments, or that it will be receptive to petition for postponement of effective date of all-channel law while it ponders various channel allocation proposals. These rumors are based on pure misinformation, lack of information and wishful thinking. Some of these arise from fact that FCC is hearing arguments on short-spaced vhf drop-ins (see p. 2), others from existence of proposal for reallocation in vhf bands by Bureau of Standards' Kenneth Norton (Vol. 3:37 p9).

Commission finally decided rumors and half-truths had reached such pitch it was time to set record straight, which it did in letter to EIA, approved by full Commission, and released this week. Here is full text:

"It has recently come to our attention through the activities of the Committee for Full Development of All-Channel Broadcasting that some question has been raised as to whether the Commission is contemplating general changes in TV broadcast allocations which would affect implementation of the all-channel TV receiver requirements.

"We wish to advise you explicitly by this letter that the Commission has no intention of deviating from its decision to encourage full utilization of the uhf channels for TV broadcasting. We do not intend to initiate any general changes in the principles of the table of channel assignments, including mileage separation requirements, for TV stations, nor do we anticipate any change in the date (April 30, 1964) after which TV broadcast receivers manufactured must be capable of receiving all TV broadcast channels.

"We hope that this information will dispel any uncertainty as to the Commission's intentions to maintain its present TV allocations policies."

Even if serious tuner shortages should arise, it's highly unlikely that FCC will seriously entertain any petition for postponing April 30 deadline. Commission feels that since date was set far enough in advance, and since it was recommended by industry itself, any hardship will be of industry's own making.

Tuner manufacturers say they're prepared to step up uhf tuner output to 7-million-a-year rate by April 30, if it can be done in orderly fashion. But, said one, "we just physically can't increase our production fourfold in one month. Our facilities are ready, but we must have time to recruit and train workers. We were led to believe that there'd be a gradual increase in all-channel sets, up to the 100% point by April 30. Now we can see no sign of it. It looks like it's going to come in one overnight jump—on April 30."

Set manufacturers concede it does look that way—but, they ask, what can they do as long as dealers keep ordering vhf sets? Said one industry leader, just returned from swing around the country: "The dealers couldn't care less. They just tell us they'll face that problem when they get to it. Meanwhile, we can't shove all-channel sets down their throats."

Tuner makers are hard-pressed even to find out clues to future demand for their product. There are many new elements in this highly competitive field. Japanese firms are now in it with both feet,

already getting fairly good share of vhf tuner market. More set makers are producing their own tuners. Several component manufacturers not now in tuner field are understood to be developing tuners.

There could well be over-capacity in uhf tuner business in next year or so. But by spring, it now appears there'll be sudden & frantic scramble for tuners. And FCC can't be counted on to bail anyone out.

NO 11-IN. TV STATISTICS FROM EIA: Starving for details on production & sales of 11-in. tinyvision, TV industry will have to tighten its belt and sharpen its guessing until early next year.

Dispute which came within hair's breadth of destroying EIA's TV production & sales data program was resolved this way: EIA's reports, for balance of this year, will include no sets 11-in. & smaller. Final figures for 1963 will be adjusted retroactively to include production & sales of 11-in. sets. Beginning in Jan. 1964, all b&w sets, of all sizes, will be included in EIA's regular reports.

Recent meeting of EIA consumer products marketing data committee in Chicago burst into acrimony when it was revealed that GE had not been including 11-in. sets in its marketing data reports. Other manufacturers, including RCA, talked of withholding TV data entirely or withdrawing from EIA's statistical pool. Compromise forestalled break-up of statistical organization.

GE had been withholding 11-in. data on basis of EIA rule that where one manufacturer makes more than 50% of any category of product, statistics on this product will be withheld on option of manufacturer. Rules provide that EIA collects data and notifies manufacturer that it has 50% or more of given market, then asks manufacturer whether it wishes to waive its "security right." In current case, however, GE decided that it had more than 50% of 11-in. market and invoked another privilege of membership in EIA statistical pool—that reporting is voluntary.

In this decision, GE had precedent. RCA has never reported production or sales of color sets & picture tubes. Thus, industry is deprived of statistics in TV's 2 hottest areas—color & tinyvision.

Although Admiral also produces 11-in. TV, and Curtis Mathes will be in production next month, latest figures (preliminary Aug. statistics, Vol. 3:38 p9) reflected no 11-in. output, since Admiral hadn't started production and GE withheld figures. (Admiral, though not member of EIA, is member of its statistical pool.)

In its reports to manufacturers, EIA breaks down tube sizes into categories of 21-in. & larger, 19-&-20-in., and 18-in. & smaller. For remainder of year, latter category will be changed to 12 through 18-in., and no sets with screens 11-in. & smaller (by any manufacturer) will be included. All production & sales figures, including those reported weekly & monthly in these pages, are exclusive of sets with 11-in. & smaller screens.

EIA's statistics will give clue to whether 11-in. sales are "plus business" or substitute for larger sizes. If sales of conventional-size TV, as reported in EIA figures, continue to equal or exceed last year, this can be cited as evidence that tinyvision sales are "extra." (July TV distributor sales as reported by EIA—without 11-in. sets—were very slightly behind July 1962; preliminary Aug. figures indicate increase of about 3.5% over Aug. 1962.)

Lacking figures on color & tinyvision, EIA statistics thus are probably running more than million sets below actual TV output, on annualized basis. Best guess of 11-in. production for this year: 300,000-350,000 sets.

Resolution of tinyvision problem doesn't alter color TV reporting situation. There's still no indication when—if ever—RCA plans to report its color TV production or sales.

"COLOR IS OUR MOST IMPORTANT PRODUCT": RCA shipped its first sales team to N. Y.'s Sales Executives Club last week for presentation on color TV, armed with dazzling new statistics & predictions—and preview of first results of new consumer color survey.

As World Series color week opened, RCA Sales Corp. Pres. Raymond W. Saxon and Ad & Sales Promotion vp Jack M. Williams put color story across with some snappy comparisons. Examples:

Dollar sales of RCA Victor color sets next year, said Saxon, "will surpass the combined total of

our other home entertainment products—including b&w TV, radio, stereo "Victrola" and tape cartridge recorders." Industry-wide color sales will achieve retail rate of more than $450 million this year, rising to $750 million next year and surpassing b&w's "billion-dollar sales rate" some time in 1965. This year, one color set is being sold for every 9 b&w sets; next year, figure will be 1 to 5.

"During the 10th anniversary year of color TV next year," Saxon added, "this reasonably new medium will record retail sales equal to the present rate of the home laundry industry." For first 8 months of 1963, RCA's color set sales have contributed "considerably" greater dollar volume than b&w—even though its b&w unit sales are running more than 10% ahead of 1962. By next year, Saxon said, RCA line will have more color than monochrome models.

Saxon gave first details of consumer survey just completed by Elmo Roper & Associates, about 9 months later than Sylvania color survey (Vol. 3:37 p6, 38 p7). It showed—as did Sylvania survey—that color owners were satisfied with both color & b&w reception on their sets. Owners are enthusiastic color boosters, only 2% suggesting that their friends wait a while longer for color, 1% suggesting friends buy b&w sets.

Some 30% of consumers questioned "firmly said their next TV receiver would be a color set," while 25% were undecided whether to buy color or b&w. Sylvania survey, made early this year, indicated 9.4% of prospective purchasers intended to buy color sets this year and 40.8% would consider both color & b&w.

In what appeared to be a bit of CBS-baiting, Saxon said that color set owners overwhelmingly preferred color programs to b&w. He explained by quoting survey results: b&w set owners preferred "Bonanza" (which is in color) over "Gunsmoke" (b&w) 53% to 30%—but "Bonanza's" margin with color owners was 87% to 8%.

In other color news last week: (1) Muntz formally announced its entry into color market with 3 "competitively priced" sets—2 phono combinations, one lowboy. Announcement said company expects to sell about 1,000 color sets within a month, and that in color it will continue to specialize in TV-radio-stereo combos, which now account for 65% of its b&w sales. (2) Chicago's American Television (de Forest brand) announced "rectangular color TV" at $299, $400 & $750 for combo. Tube used is regular 21-in. round with rectangular mask.

TV-RADIO PRODUCTION: EIA statistics for week ended Sept. 27 (39th week of 1963) excluding 11-in. and smaller:

	Sept. 21-27	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV...	180,777	151,603	159,180	5,183,592	4,864,120
Total radio	458,309	498,147	483,494	12,909,440	13,848,819
Auto radio.....	210,609	237,098	196,820	5,510,900	4,990,274

TOPICS & TRENDS

One of Motorola's color-tube problems has been solved, we were told last week by Motorola Consumer Products Pres. Edward R. Taylor. He said National Video & Motorola engineers have licked troubles of lack of adherence of dots to screen, now are working to eliminate arcing & contamination. "We hope to get these problems solved, so we can go into accelerated production in Nov. & Dec., and have a good supply of tubes the first of the year." Meanwhile, Motorola is producing 21-in. color sets "to the extent that we can get tubes from RCA."

"Zenith TV sales top million mark in just 9 months," proclaims double-truck ad in trade papers, referring to distributor-to-dealer unit sales (presumably both color & b&w). "For the 5th straight year—over a million sold," says ad, with this claim added: "Zenith is still Number One! Again with greatest share of industry ever! Even greater than record-breaking 1962!"

Trade Personals

Charles M. Heiden named gen. mgr. of GE new business development operation, which activates Nov. 1 at Schenectady, N. Y., to develop business opportunities indicated by new products & technologies.

Col. Percy G. Black, vp of GT&E International and GT&E Service Corp., retires Oct. 1 after 17 years with company; he's past pres. & currently a dir. of Armed Forces Communications & Electronics Assn.

Ralph R. Papitto elected chmn., **Glass-Tite Industries,** Providence, R.I. maker of semiconductor containers & seals, succeeded by **David Cropp** as pres.; **Paul W. Erickson** elected exec. vp and a dir.; **Philip W. Schumacher** named vp-gen. mgr. of mfg. div.

Dr. Lee L. Davenport, GT&E Labs pres., receives GT&E's Silver LaCroix Medal Award for his role in saving lives of Sylvania's Pres. Gene K. Beare & New Product Planning Dir. **David K. Elwell** in plane crash at Rochester, N.Y. July 2 (Vol. 3:27 p12).

J. Walsh, Erie Technological Products of Canada, won IEEE Low Gross Trophy in Canadian EIA-IEEE Golf Tournament with 83. Other winners: EIA Low Gross Wrigley Trophy, **T. Stevens,** Northern Radio Mfg.; Fullerton Weston Trophy, **R. Stacey,** Canadian Motorola Electronics; Lake Engineering Trophy, **Derek Reynolds,** Electronics & Communications.

Frank C. Lustig, formerly Revere-Wollensak engineering & product development mgr., named Argus product planning vp, heading new product development dept.

David J. Melamed, ComSat asst. secy & asst. treas., elected secy.

S.S. (Sy) Krinsky, ex-Telemet, forms own rep company for TV & telemetering instrumentation manufacturers, 6311 Yucca St., Hollywood (phone: Hollywood 2-1133).

Lowell H. Tveten, asst. chief, promoted to chief, HF & VHF Research Section, Bureau of Standards Boulder Labs, succeeding **W. F. Utlaut,** asst. chief, Radio Systems Div.

High-end TV sales can be stimulated successfully, NARDA & Corning Glass reported after tallying results of 3-day "Step Up to Quality" pilot promotion Sept. 27-30 at Brac's Appliance Store, Des Moines. Brac's owner Earl (Duke) Holst, NARDA pres., said sales during period were double those of same 3 days last year, that 4 times as many consoles were sold, nearly 50% of which were combinations, and portable sales were down one-third. In addition, an estimated 40% of those entering store were classed as prospects for later sales. Corning & NARDA are compiling case history book giving details and results of promotion.

Channel Master showed new line of consumer products last week, with new emphasis on phonographs. Among items shown, all imported: 16-in. TV at $139.95; portable stereo phonos at $69.95, $89.95, $109.95 & $149.95; transistor tape recorder at $139.95; citizens band radios at $119.90 a pair.

Corning is adding 80,000-sq.-ft. warehouse to its TV bulb plant in Albion, Mich., due for completion by early December.

Semiconductor licensing agreement between Fairchild Camera & Instrument and Tokyo-based Nippon Electric has been approved by Japanese govt. Pact gives Nippon Electric exclusive rights in Japan for 10 years to Fairchild's patents for planar process of semiconductor production. Fairchild's royalties will be based on percentage of sales. Nippon also is obligated to license any Japanese semiconductor manufacturer seeking the process, and, Fairchild Pres. John Carter said, it's anticipated that several sublicense agreements will be signed soon.

International Resistance has integrated its Control Components, Frontier Electronics and Plastic Products Divs. into new Instrumentation & Systems Div., which will produce and market electro-mechanical/electronic subsystems and associated equipment and circuitry. O. C. Kebernick, formerly Plastic Products mgr., becomes gen. mgr. of new division. Other appointments: Terry Halpern, mktg. mgr.; Patrick Lannan, chief engineer. Division will headquarter in Philadelphia.

ITT $30 million expansion program in Western Europe, begun last year, will be completed by end of 1964 and provide manufacturing plants & labs in West Germany, U.K., Spain, Norway, Sweden, The Netherlands & Belgium. Pres. Harold S. Geneen said program would add more than 2 million sq. ft. to ITT's facilities, increase company's European employment by "several thousand new jobs" to 125,000 at close of 1964.

Russia's new Licensingtorg Agency, recently established to handle licensing agreements with Western firms, has authorized a N. Y. patent brokerage concern "to seek U. S. manufacturers for several Soviet products," reported Oct. 3 "Wall St. Journal." Among them: "A method for making semiconductors from organic chemicals, said to be cheaper than semiconductors made from crystals."

British TV dealer gave away 1,250 TV sets, mostly old trade-ins, to save money on junking. "It was the easiest and cheapest way to clear a very crowded warehouse," reported dealer Frank Middleton. "To have dismantled them and sold them for scrap would have cost more." More than 5,000 persons responded to Middleton's give-away ad.

New anti-Quality Stabilization group has been formed by members of discount industry. "Committee for Competitive Prices," headed by Martin Chase, treas. of Ann & Hope Factory Outlet, Cumberland, R. I. (Vol. 3:31 p7), seeks $100,000-125,000 from discount field to fight QS legislation. "CCP" has hired Ruder & Finn PR firm to map campaign.

Philco has added an Animal Div. to its Advanced Technology Lab in Blue Bell, Pa. Facility is believed to be first of its kind in electronics field, will use initially 10 monkeys to research electrical energy in muscles. Bio-Technology Lab Dir. Walter L. Wasserman said studies could point way to development of artificial limbs with "almost human-like muscle reaction."

N. Y. Fair Sabbath Bill has been signed into law by Mayor Wagner (Vol. 3:38 p10). It permits small family-operated businesses to remain open on Sun. if owner closes another day of week to observe Sabbath.

Sylvania has introduced lowboy color console at $529.95.

GE'S 'MUSIC MODULES': Several unique products—including company's first tape recorder—were introduced by GE at week's end in preview of first public showing Oct. 11 at National Decoration & Design Show in N. Y.

Highlight was new product category, which GE calls its "series 5000 modules" and describes as "bridging the gap between consoles & components." Each module is available individually, all in matching rectangular walnut cabinets, designed for easy hookup by inexperienced amateurs. They can be installed in bookshelves, on tables, hung on walls, etc. All equipment is fully transistorized. GE promises modules will be "open stock," with no annual appearance changes, so owners can build music systems gradually.

GE's modules are: AM-FM-stereo tuner-amplifier, $299.95; drop-down stereo tape recorder, $299.95; drop-down changer, $89.95; speaker systems, bookshelf size at $99.95 per pair, larger units $119.95. Recorder uses modified V-M deck, GE's own transistorized electronics.

Also due for introduction this week by GE is "Pillow Talk" portable stereo phono at $74.95. In place of conventional speaker, unit has corduroy-covered foam cushion containing stereo speakers for use as headrest or conventional pillow. Phono can be used as regular stereo by placing cushion (whose surface is parabolic) in lid of changer and using higher volume.

Both tape recorder & cushion speaker are expected to show up later in other GE versions.

Using GE equipment, Designer Vladimir Kagan will display some interesting custom-made concepts at decoration show—including free-form love seat with stereo speakers built into high side wings, and coffee table into which 11-in. TV disappears when not in use (reminiscent of RCA's TV coffee table of several years ago).

DISTRIBUTOR NOTES: **Sylvania** appoints **Wheeling Kitchen Equipment** (George Bailey vp-gen. mgr.), 36th & McColloch Sts., Wheeling, W. Va., home instruments distributor for 24 northern West Virginia & 5 eastern Ohio counties... **Olympic Radio & TV** and **Sony Corp.** name **American Wholesalers** distributor in District of Columbia area. American had been a Sylvania distributor for past 2 1/2 years, was succeeded by factory branch (Vol. 3:39 p10).

Standard Japanese color tube size will be 16-in. rectangular, 90-degree deflection. Committee of Japanese EIA has recommended measurements, with goal of standardized product. Industry's immediate aim is to develop sizeable domestic color set market in time for Olympic games in fall 1964, as well as promoting exports to U. S.

First 16 2/3 rpm stereo discs have been introduced by XLP Record Corp., Lake Geneva, Wis. New records play more than 2 hours, will list at $8.95. Company claims listening tests showed 97% of listeners couldn't tell difference between sound quality of 16 2/3 and 33 1/3 rpm discs.

"Stereobooster," indoor FM booster designed for stereo & mono FM reception, has been announced by Blonder-Tongue. With claimed power gain of 18 db, it has list price of $21.

Legalities: Sonic Electronics, N.Y. manufacturer of phonographs & hi-fi equipment, is bankrupt (Vol. 3:21 p10), Referee Asa S. Herzog ruled. He upheld objection by V-M Corp. to proposed Chapter 11 plan, appointed Thomas E. Zoda trustee in bond of $50,000... Judgment suit of $375,000 has been filed in Chicago Federal Court against Majestic International Pres. Leonard Ashbach and 2 other employes of firm on breach-of-agreement charges by Nichimen Co. concerning transistor radios it sold to Wilcox-Gay. Plaintiff contends radios were to be warehoused under its name and that it was to retain title, but warehouse receipt was written in Majestic's name. Nichimen seeks $125,000 actual damage, $250,000 exemplary damage.

Audio Engineering Society convention Oct. 14-18 at N. Y.'s Barbizon Plaza Hotel will feature session on FM stereo, with papers by FCC's Harold W. Kassens, Zenith's J. Fleming Dias & Jouke Rypkema, Collins Radio's A. Prose Walker, GE's A. Csicsatka & R. Linz, GEL's B. T. Newman, others. Other papers will be on magnetic tape cartridges, disc recording, broadcast audio studio equipment, sound systems, loudspeakers, wireless microphones, Teleglobe Pay-TV System.

Muntz TV says its sales for fiscal year ended Aug. 31 probably reached about $13 million, compared with $11.4 million for fiscal 1962.

Reports & comments: **Tektronix**, prospectus, Lehman Bros., One William St., N. Y. 4... **Electro Instruments**, report, Leason & Co., 39 S. La Salle St., Chicago 3... **Varian Associates**, comments, Bache & Co., 36 Wall St., N. Y. 5... **Microwave Electronics**, report, Hannaford & Talbot, 519 California St., San Francisco 4... **International Resistance**, analysis, Hirsch & Co., 25 Broad St., N. Y. 4... **Dynamics Corp. of America**, study, Schwabacher & Co., 100 Montgomery St., San Francisco 4... **Metromedia**, comments, Ross & Hirsch, 120 Broadway, N. Y. 5... **Walt Disney**, study, Schwabacher & Co., 100 Montgomery St., San Francisco 4... **Crowell-Collier**, discussion, Carl M. Loeb, Rhoades & Co., 42 Wall St., N. Y. 5... **AT&T**, report, Hirsch & Co., 25 Broad St., N. Y. 4... **Thompson Ramo Wooldridge**, study, Burnham & Co., 60 Broad St., N. Y. 4... **CBS**, report, Freehling & Co., 120 S. La Salle St., Chicago, 3... **Crowell-Collier**, memo, Purcell, Graham & Co., 50 Broadway, N. Y. 4.

Ravenswood Corp. assets will be sold by Internal Revenue Service which seized plant (Vol. 3:39 p11) for alleged non-payment of some $63,000 in excise and withholding taxes. IRS is now accepting sealed bids for Ravenswood's inventory of stereo sets & cabinets, speaker systems, and other components, will open bids Oct. 10, 10:30 a. m. at its Annapolis, Md. office, 253 West St.

Stewart-Warner's July-Aug. sales & earnings produced percentage gains "of similar magnitude" to first-half's 10% sales jump to $66.4 million, 11% earnings increase to $1.21 a share. Chmn.-Pres. Bennett Archambault reported that sales of electronic products during first 8 months topped volume in original-equipment automobile parts.

Muntz TV stock purchases, reported to American Stock Exchange: Chmn. Floyd G. Dana bought 500 common shares, holds 7,053. Secy.-Treas. Daniel J. Domin bought 630, holds 31,608 and is custodian for 30.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
AT&T	1963—year to Aug. 31	$9,343,885,000	—	$1,441,958,000[1]	$5.92	243,560,000
	1962—year to Aug. 31	8,822,666,000	—	1,366,557,000	5.76	237,189,000
	1963—qtr. to Aug. 31	2,401,292,000	—	383,147,000[1]	1.57	244,442,000
	1962—qtr. to Aug. 31	2,255,690,000	—	355,024,000	1.47	240,768,000
Avnet Electronics	1963—year to June 30	46,941,923	$ 4,862,518	2,441,048	.80	3,068,956
	1962—year to June 30	39,695,992	5,594,775	2,774,798	.93	2,979,614
Collins Radio	1963—year to July 31[2]	250,000,000	—	3,680,000	1.65	2,230,080
	1962—year to July 31	207,775,637	—	3,477,000	1.56	2,230,062
Federal Pacific Electric	1963—year to June 30	95,010,667	—	1,745,673	.38	2,426,096
	1962—year to June 30	97,285,128	—	1,504,588	.29	2,371,127
Four Star TV	1963—year to June 29	22,076,700[3]	—	793,501[4]	1.25	600,000
	1962—year to June 30	19,962,980	—	734,077	1.20	600,000
Gilfillan Corp.[5]	1963—year to May 31	33,713,187	—	786,331	.67	—
	1962—year to May 31	39,172,585	—	1,048,936	.90	—
International Rectifier	1963—year to June 30	—	—	484,865	.20	2,414,542
	1962—year to June 30	—	—	1,207,282	.50	2,414,542
Pentron Electronics	1963—year to June 30	10,330,160	105,838	(208,533)[6]	—	2,532,644
	1962—year to June 30	10,752,544	572,218	356,911	.15	2,441,037

Notes: [1]Record. [2]Preliminary. [3]Includes $500,000 tax-free insurance payment on life of late Chmn. Dick Powell. [4]After "substantial" write-offs of development costs of several properties and pilot films. [5]Radar pioneer & early TV set maker now being acquired by ITT (Vol. 3:39 p12). [6]After $338,012 in "extraordinary expenses," including $259,065 loss on disposal of obsolete inventories.

Litton Industries & Chmn. Charles (Tex) Thornton were front-cover profiled by Oct. 4 "Time" magazine which summarized: "Since Thornton took over Litton just 10 years ago next month, when it was only a tiny microwave tube company, it has developed into one of the most remarkable growth companies of the age. In that decade, Litton has increased its sales 18,570% and its earnings 10,175%. It has never had a quarter in the red. In one of the greatest acquisition sprees of all times, it has absorbed some 40 other corporations, now has 71 plants in the U.S. and 12 other countries." Litton, nation's 100th biggest corporation, has topped half-billion-dollar in sales, "will probably reach $750 million this fiscal year. By next year, if this growth continues, its sales should lift through the billion-dollar mark and put it among the top 50 U.S. companies." Magazine emphasized Litton's versatility, noted that its "200 products range from hulking nuclear submarines to tiny electronic tubes that can send radio & TV signals back to earth from millions of miles out in space."

Ling-Temco-Vought anticipates 1963 earnings of $2.25-$2.40 a share on 2,783,885 shares outstanding. This is down from 1962's $3.03, but, Vice Chmn. & Chief Exec. Officer James J. Ling noted, 1962 earnings reflected a tax loss carry-forward. Sales this year will be "up slightly" from 1962's $325.4 million. L-T-V's product mix now runs 15% commercial (including electronics), 35% military electronics, 50% aerospace. Company will pay its initial cash dividend—a 12 1/2¢ quarterly payout—Oct. 21 to holders of record Oct. 1.

MERGERS & ACQUISITIONS: **Tung-Sol** still regards **Purolator** a "threat" despite fact that "it is apparent that the shares acquired through the offer [Vol. 3:39 p12] fell short of its goal," Chmn. Donald A. Harper & Pres. Frank J. Ehringer wrote stockholders, adding: "From what we can learn, the amount of stock tendered was so small that Purolator was forced to make purchases in the open market." Purolator now owns 32% or 300,000 of Tung-Sol's 926,826 outstanding shares... **Bessemer Securities** has acquired a 30% interest in **Silicon Transistor.** Bessemer also has interests in 2 other semiconductor producers—Crystalonics Inc. and Unitrode—and Metcom Inc., maker of microwave equipment... **Republic Corp.** has acquired for undisclosed cash **General Water Heater Co.** & **Pioneer Mfg.**, both of Los Angeles. They manufacture garbage disposal units, swimming pool heaters, other home & commercial products, will be operated as Republic subsidiaries... **Thompson Ramo Wooldridge** has absorbed subsidiary **Space Technology Labs** which becomes an operating group under new name TRW Space Technology Labs. Ruben F. Mettler named group pres... **Electronic Research Associates** is exploring acquisition of several companies, has some $1 million in cash and marketable securities, plus treasury stock, available for purchases, according to Chmn.-Pres. Donald D. Greig.

Eitel-McCullough has been approved for trading on American Stock Exchange. Symbol and listing date will be announced later.

NAB LIBRARY

WEEKLY **Television Digest**
with
Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

OCTOBER 14, 1963 NEW SERIES VOL. 3, No. 41

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

NEW CATV FOE—RECEIVING ANTENNA MAKERS—form 'TAME' to subdue growth of cable systems. Plan franchise fights, PR & lobbying program in Washington; seek help of NAB, TOA, et al. (p. 1).

SHAPE OF REVISED UHF ALLOCATIONS, as prepared for FCC consideration this week. Some 400 ETV assignments to be added, very few other changes in works. Staff dubious about uhf for airborne operations, leans toward 2,500-mc service (p. 2).

NETWORKS REPORT ON DROPOUTS vis-a-vis ratings, forwarded by FCC to House committee. Conclusions: Poor raters lose out. More analysis being prepared by Commission (p. 3).

NAB-RAB ONLY STEP AWAY ON RADIO STUDY: Decision from NAB Research Committee, favoring co-direction of methodology study, is expected momentarily, following liaison committee meeting. NAB would contribute, in stages, $75,000 of needed $200,000 (p. 3).

BEVILLE ASSAILS PAY TV: Says fewer than 10% of families could afford it, believes it would carry commercials anyway. Stanton urges academic community to support industry's freedom fight (p. 4).

Consumer Electronics

DISCOUNT 'MINUTEMEN' MAP QS FIGHT: Newly formed Committee for Competitive Prices describes itself as 'emergency group' to defeat Quality Stabilization legislation, already has received pledges for 'a good percentage' of $125,000 war chest (p. 7).

FLAT COLOR TUBE being shipped commercially for oscilloscope use by Video Color Corp., which plans 3-color tube for home TV, less than 4-in. thick (p. 8).

COLOR TUBE CRISIS may blunt Christmas sales, as industry gasps for more tubes; no major quantities due this year from Sylvania, Rauland or National Video; no other tube makers seen entering market next year (p. 8).

TV IMPORTS ROSE again in Aug., setting record and totaling nearly 10% of domestic output; transistor radio shipments from Japan fall off 38% in first drop; Japan approves minimum TV export prices (p. 10).

RCA'S RECORD 9 MONTHS: Profits boom 29% to peak $44.2 million on 4% sales gain to $1.314 billion high; Sarnoff & Engstrom forecast record 1963, point to Jan.-Sept. 70% profit gain by NBC and 65% rise in distributor sales of color sets, predict color will become billion dollar industry next year (p. 11).

NEW CATV FOE—RECEIVING ANTENNA MAKERS: Quite surprising new organized opposition to CATV—very well concealed heretofore—has arisen from makers of receiving antennas. Makers of more than 80% of antennas have banded into "TAME", meaning "Television Accessory Manufacturers Institute." (They decided TAME was more "euphonious" than "TAMI".)

Purpose of group is simple: Stop growth of CATV.

Not formally organized yet, group has as principal spokesmen Morton Leslie, sales mgr. of JFD Electronics Corp., and L. H. Finneburgh Jr., pres. of Finney Co. Group makes no bones about its self-interest—that CATV cuts into sales of antennas, 20% a year, according to some estimates—but it asserts that public interest is being harmed by recent developments in CATV.

We talked at some length with Leslie, and he said group will work in 3 ways: (1) "In-field effort"—opposing grants of new franchises in new communities. (2) Public relations—establishing Washington office to work for regulation of CATV. (3) Joint efforts with others—seeking cooperation of NAB, TOA, any other groups.

"For 10 years," said Leslie, "CATV has made sense, bringing TV to communities which couldn't get it. But now, they're moving into other cities, misrepresenting what they can do.

"We've been successful, individually, in opposing the granting of franchises in several cities, such as Daytona Beach & Ocala, Fla., and Brunswick, Ga. We stopped them in Fayetteville, N. C.,

Copyright 1963, by Television Digest, Inc. Reproduction in any form, without written permission, prohibited.

but I understand it came up and passed the 2nd time. We're working right now to stop it in Amsterdam, Gloversville & Johnstown, N. Y. We have a job to do in Illinois, Mississippi & Georgia. There are some 12-15 systems proposed in Georgia by the "Atlanta Constitution" [Cox Stations]—and we plan a tremendous campaign there."

NCTA Pres. Fred J. Stevenson offered this reaction: "The antenna manufacturers should turn the clock back a half century and read about the money wasted by buggy-whip manufacturers in trying to prevent the advent of the automobile. In thousands of communities throughout the U.S., the public demands CATV service because it wants clear TV reception and a wide choice of TV signals. This it get from CATV systems. Evidently this is something the public has not been able to get from home antenn

"No amount of money spent in a public relations program will obscure those facts. It would seem to me that antenna manufacturers could make a better use of their funds in trying to develop, if this is feasible, a rooftop antenna which does not begin to deteriorate perceptibly in performance within a few months from the erosion of the elements..."

Lee Zemnick, mgr. of Jerrold Community Systems Div., said: "The public has a free choice. It can take CATV service or put up its own antennas. Proof of that is that we don't have 100% saturation. I think they should fight by improving their product. If they're going to oppose us around the country, they're going to be pretty busy."

Another ground for fighting CATV, according to Leslie: "We see a marriage of CATV & subscription TV within 5 years. There's talk of tieing the systems together nationally."

TAME plans to incorporate soon, probably will have next meeting in Chicago Oct. 25. A PR firm will be hired. Leslie says he's never seen the industry so united on any other issue.

Group is no small potatoes. Combined gross is scores of million annually. If they choose to throw heavy resources into fight, which they can, they'll put up quite a battle. They may have trouble, however, recruiting solid support from such groups as NAB & TOA. Big-gun telecasters are rapidly joining CATV fold, and theater owners—somewhat more slowly—are deciding to join 'em in the CATV gold rush.

Herewith are members to date, with representative of each, in addition to JFD & Finney: Alliance Corp. (rotors), George Gemberling, sales mgr.; Antennacraft Co., Lynn Lockwood, vp; Antenna Designs Inc., Robert Weiss, pres.; Channel Master Corp., Sam Schlussel, sales mgr.; Clear Beam Antenna Corp., Robert Raynor, pres.; Cornell Dubilier, Anthony DeLisse, exec. vp; Kay-Townes Antenna Co., J. C. Kay, pres.; S & A Electronics Inc., George Saffran, vp; Spaulding Products Co., Boyd Lambert, sales mgr.; Winegard Corp., Robert Fleming, sales mgr. Hq at the moment is JFD, 1462 62nd St., Brooklyn, N.Y. (phone: DE 1-1000).

NAB group, "Future of TV in America Committee," headed by Dwight Martin, met in Washington last week, talked about CATV, pay TV, etc. Plan is to recommend to spring board meeting the position NAB should take. Member of Future of TV in America Committee said there's considerably less friction between telecasters & CATV operators because of former's accelerating entry into cable field. He also said that the hiring of Pat Weaver as president of Subscription TV Inc. was considerable help to latter because of Weaver's reputation.

NCTA continues to work with FCC toward compromise regulatory legislation, hoping to come up with decision before Jan. so that agreement may be presented jointly to Congress.

SHAPE OF REVISED UHF ALLOCATIONS: Long-awaited revision of uhf allocation plan is now before FCC, due for discussion this week. Same for airborne ETV uhf allocation. Herewith are key element of uhf plan recommended by staff:

(1) New table will have about 1,975 assignments, an increase of about 400, most of them ETV. This would make total of 800 ETV assignments (100 vhf, 700 uhf).

(2) Forty communities would have 2 ETV assignments.

(3) Since Ch. 37 is being reserved for 10 years for radio astronomy, substitute channels will be

available in most communities where Ch. 37 is now assigned—including Paterson, N.J. & Melbourne, Fla. where applications are pending.

(4) Atlantic Research Corp. is making computer study to see if more efficient allocation may be made.

(5) No channel changes are proposed for any uhf licensee or CP-holder.

(6) Most existing uhf assignments to communities remain unchanged.

(7) While this rule-making is pending: (a) Petitions for uhf channel changes will be treated as comments in the proceeding. (b) Applications for channels in present & proposed tables will be processed as usual. (c) Applications for the few channels which have been deleted from existing table will be frozen until proceeding ends.

(8) All basic technical standards—separations, power, height, "taboos," etc., are retained.

(9) No vhf changes are involved.

(10) Number of assignments per city was determined by using as a general but not rigid guide this formula: 1-2 non-ETV channels (vhf & uhf combined) for cities under 50,000; 2-5 for 50,000-250,000, 5-7 for 250,000-1 million; 7-9 for over 1 million.

* * * *

Midwest Program for Airborne TV Instruction (MPATI), now feeding schools experimentally, had asked for regular use of Ch. 72, 74, 76, 78, 80 & 82. Recommendations before FCC are quite dubious about such permanent service, believing that 2,500-mc band can do the trick. However, it's proposed that rule-making be started, comments be solicited.

Because of interference problems, FCC staff says, between 750 & 1,110 uhf ground assignments would be wiped out if MPATI's proposal were adopted nation-wide. Furthermore, it's noted, this would raise hob with Canadian & Mexican assignments.

REPORT ON DROPOUTS VIS-A-VIS RATINGS: There's not much surprising, regarding influence of ratings, in reports collected by FCC from networks, at request of House Commerce Committee ratings investigators. Commission forwarded mass of data to Congress last week, without analysis—which will come later from FCC. Examination of data shows:

(1) Programs dropped before end of season are almost certain to be in last place. (2) Programs carried whole season but not rescheduled following year are never first.

Reports covered last 3 seasons. Each network supplied list of programs dropped before end of season, with indication how each fared in ratings against competition. Reports showed that, of 45 shows dropped before end of season during the 3 years, 37 were in 3rd place in both rating services, 3 were 2nd, remaining 5 fluctuated over the months.

Second part of report—covering all programs & ratings for full season (but not competitors' ratings), will be analyzed by FCC Broadcast Bureau Asst. Chief Hy Goldin, given to House committee. We've examined reports in light of ARB national pocketpieces for 1962-63 season, found: Of 23 programs carried full season but not rescheduled, none was in first place; 2 started season in first. About half ended up in last place. Nielsen official took quick look at his figures, estimated that 60% of non-returning programs were 3rd place in their audience shares.

Exceptions to foregoing are some news shows and a limited number of entertainment programs with strong appeal to special audiences.

NAB-RAB ONLY STEP AWAY ON RADIO STUDY: It's apparently only matter of time, and not much time at that, before NAB & RAB get together on radio methodology study proposed by RAB. To be conducted by Audits & Surveys Co., study will cost some $200,000, NAB to provide up to $75,000.

After months of discussion, groups moved close together at special liaison committee meeting in Washington last week. Purportedly called for discussion of other matters, meeting went into man-

agement & financing of radio study. RAB Pres. Ed Bunker promptly put down on paper RAB's recommendations, and decision is expected in matter of days. One provision of proposal is that NAB contribute money in stages so that it can pull out if irreconcilable differences develop. (Liaison committee also discussed joint sponsorship of sales executive seminar, similar to Executive Development Seminars sponsored by NAB at Harvard.)

In other ratings developments, Harris Subcommittee published 2nd volume of ratings hearings transcript (Vol. 3:37 p3). It's 800 pages, contains testimony of all rating services except Nielsen which will come in 3rd volume.

Concept of reporting ratings in ranges still creates stir. Charles Howze, Harris Subcommittee chief counsel & advocate of ranges, came back from meeting with broadcast researchers in N.Y. somewhat moved by their arguments that ranges can't be applied accurately to present measurement techniques. Melvin Goldberg, NAB research vp, is preparing compromise for Howze. If acceptable, NAB Rating Council would incorporate concept into standards, apply it to all rating services.

ARB Pres. James Seiler wrote Howze explaining technical flaws in ranges plan. Seiler believes, however, that objective of dramatizing ratings as estimates has merit. He suggested use of "prominent" statements in reports calling attention to variations in estimates, along with "prominently displayed table" showing confidence limits at different audience levels.

BEVILLE ASSAILS PAY TV: Fewer than 10% of American families would be "willing or able" to meet costs of pay TV, Hugh M. Beville Jr., NBC planning & research vp, said last week. He repeated industry's argument that with larger revenues per show, pay TV could lead to free TV's destruction by wooing away important sports & entertainment programming.

Paradoxically, Beville said, there's no guarantee pay TV wouldn't carry commercials anyway. He described these dangers at Reed College (Portland, Ore.) conference on "Television: Its Role in the Democratic Process." Among other speakers: CBS Pres. Stanton, FCC Comr. Cox, NAB Code Authority Dir. Swezey.

Stanton chided academic community for not helping in TV's battle for freedom from restrictions which won't "let us do our best or our most." TV needs criticism from all quarters, he said, but it also needs "partners in the grueling, tough, discouraging business of fighting to remove the barriers and neutralize the pressures..."

"It is a sad and discouraging fact that after the demonstrated effectiveness of the suspension... we could not prevail upon the Congress" to repeal Sec. 315 completely or to widen suspension to other offices, Stanton declared.

Comr. Cox observed that industry asks Commission to become more specific about requirements, and when it does, industry complains that FCC is trying to put it in "strait jacket." He defended FCC as doing "better than average job," among federal agencies. He also said that FCC has taken care of most of industry's "legitimate complaints" involving 315, adding that he's not sure complete repeal would help public.

NAB's Swezey called for more controversial programs & experimentation with shows of more significance but perhaps with less audience appeal. He said advertisers must re-evaluate their "tremendous stake" in public enlightenment as "substantial investors and beneficiaries of a free economy."

Beville's take-off on pay TV included assertion that if new medium ever "posed a tangible threat," NBC would have no alternative but to enter field. "And if pay TV is even half as profitable as some television promoters project, it could be a far better business for us than networking is today."

He added: "We are convinced that pay TV will not succeed [because public] will reject the idea of converting a medium operating in the public interest to one solely dedicated to private profits."

If free TV were to lose its main attractions to fee TV, Beville said, informational & cultural programming would suffer first because of reduction in revenue. Beville's final point was that when & if pay TV audience reaches million mark, major agencies fully expect to utilize it as ad medium.

"Who should control commercials?" That question was debated last week at N.Y. International Film Festival, drawing these opinions: Actress Monique Van Vooren—impartial board of judges, with no TV connections, should be appointed by broadcast industry to screen all commercials, with special controls imposed on drug advertising. Adman Fred Papert—suggested possibility of appointing TV advertising "czar," attacked "lies & half-truths" in some advertising, singling out cigaret advertising as "great, howling, semi-crooked bore." TvB Pres. Norman (Pete) Cash—"The best policing of TV commercials is in the pocketbooks of the public." NAB Code Authority Mgr. Stockton Helffrich—supported NAB Code, opposed govt. influence, saying govt. could best serve industry by "active support of the self-regulatory effort."

"Dialogue" & "debate" with FCC members, instead of "negativism," is suggested for broadcasters by John L. McClay, Taft Bcstg. dir. of operations. In Oct. 4 speech to Missouri Bcstrs. Assn., he said commissioners "want to be argued with" and "the public is better off and broadcasters are better off, if these ideas can be subjected to debate before they become hard-nosed conclusions, or become votes." He suggested that each state association form committee to respond to public proposals by Commissioners, particularly those advanced in speeches. McClay said that broadcasters' replies to proposed FCC rules usually are little more than "you can't do it." "It would be a very uncommon group of men indeed," he said, "who could avoid becoming somewhat insensible to such a chorus."

ABC was pleased with first 30-market Nielsen ratings since debut of most new network shows. In top 10, ABC captured 4 places, vs. 5 for CBS, 1 for NBC. Covering week ended Oct. 6, top 10 list had only 2 new shows both of them ABC programs—"Patty Duke Show" and "The Fugitive." CBS's "Beverly Hillbillies" was No. 1, followed by Patty Duke and "Donna Reed Show"—both ABC—tied for 2nd. For all nighttime shows during week, CBS had average rating of 19.5, and 32.7 share of audience; ABC 17.1 & 28.6; NBC 16.3 & 27.3.

World-wide organization of broadcasters to serve, in part, as an information center for available live & recorded programs was suggested by NBC Chmn. Robert Sarnoff in Tokyo last week. There to sign exclusive TV deal for 1964 Summer Olympics, he said satellites will bring in 5-10 years a global audience of billions watching same program, same time. He said at least 19 separate Olympic programs covering minimum of 14 1/2 hours would be telecast in U.S. by tape.

Second "Town Meeting of the World" by CBS via Telstar II will be presented 8:30-9:30 a.m. Oct. 15, repeated via tape 7:30-8:30 p.m. Oct. 16. "The Christian Revolution" will be discussed by clergymen in Rome, London & U.S.

Aug. network billings were up 3.1% over last year, TvB reports. ABC had $16,271,600, up 1.2%; CBS, $26,883,700, up 7.7%; NBC, $23,068,700, down .4%.

TvB's 9th annual membership meeting will be held Nov. 19-21 at Chicago's Sheraton-Blackstone. Theme is value of TV to advertisers "Beyond the Numbers."

TvB of Canada signs CTV Network as member.

House approved 1964 appropriations for FCC & FTC last week. It voted $15.8 million for FCC, $849,450 more than 1963's $14,950,550. Commission had requested $16.5 million. FTC was voted $12.1 million, up $627,500 from 1963's $11,472,500. It asked for $13,028,000. FCC's increase is slated for 20 new employes, 15 of which are ticketed for Common Carrier and Field Engineering. Appropriations Committee report said it expects FTC to produce "better results than in the past and action on more significant cases." It denied FTC's request of $100,000 for general questionnaire & economic study of intercorporate relations. FCC testifies before Senate Appropriations Committee Oct. 14, is braced for quiz by Sen. Allott (R-Colo.) on commercial ceiling, fees, etc.

NAB Fall Conferences start Oct. 14-15 at Hartford's Statler Hilton. Main concern will be threats of federal intrusion into broadcasting affairs, reports NAB. There'll be separate TV-radio workshop sessions, plus joint meetings to hear: (1) Report on ratings problems by Group W's Don McGannon. (2) "Controversy on Your Station and How to Deal With It," panel moderated by Howard Bell, NAB planning & development vp. Pres. Collins will address opening of each conference, including Minneapolis, Oct. 17-18; Pittsburgh, Oct. 21-22; Miami Beach, Oct. 24-25; Nashville, Nov. 14-15; Fort Worth, Nov. 18-19; Denver, Nov. 21-22; San Francisco, Nov. 25-26.

Sen. Moss (D-Utah) assailed FCC's commercial ceiling proposal last week. "Establishing in detail the amount of time which a broadcaster may use for advertising would be an indefensible intrusion of government into the every day activity of broadcasters," he said. He called it "first step" on "road to complete economic regulation," said industry should be allowed to "remedy present deficiencies on its own" rather than have forced on it "public utility concept" regulating charges & costs. He added that House & Senate deliberations on 1927 Radio Act & 1934 Communications Act "convinces me" FCC doesn't have such authority.

Rep. Rogers (D-Tex.) addresses Texas Assn. of Bcstrs. at Dallas Oct. 21; he's Communications Subcommittee chmn., will shortly set hearing dates for his & other's bills that would prohibit FCC from setting limits on commercials. Another bill (HR-8729), similar to Rogers', was introduced by Rep. Broyhill (R-N.C.) last week.

It's not govt.'s role to anticipate tastes & cultural desires of public and then enforce its judgment, Paul Comstock, NAB govt. affairs vp, told Alabama Bcstrs. Assn. last week. He said issue has been raised by govt.'s efforts to define fairness doctrine, its attempts to place artificial limits on commercial time, its desire to change "vast wasteland" into "verdant vineyard of culture and education." "How many steps do we take along this road before we abdicate our integrity as citizens?" he asked.

ETV WNDT N.Y. has received $25,000 from Louis Calder Foundation & $12,500 from Rockefeller Brothers Fund, original contributor to station's acquisition by ETV group.

Pay TV in Hartford will show 2 Yale football games, Oct. 26 & Nov. 2. RKO General also plans to present pro basketball & hockey from Madison Square Garden & Boston Garden this season, to its 3,400 homes.

"A Law to Outlaw Pay-TV" is called for in ads paid for by Southern Cal. Theater Owners Assn. It asks public, in state-wide referendum, to vote pay TV down.

Personals

Newton N. Minow, former FCC chmn., now Encyclopedia Britannica exec. vp, elected to NET board.

FTC Comr. Philip Elman, Md. Republican, nominated by Pres. Kennedy for full 7-year term. **John R. Reilley**, Iowa Democrat, nominated to fill unexpired term, until Sept. 1969, of A. Leon Higginbotham, named to federal bench; Reilley is Justice Dept. attorney.

Frank Stanton, CBS pres., appointed to U.S. delegation to U.S.-Japan Conference on Cultural & Educational Interchange, in Washington Oct. 16-22. He'll deliver keynote address on ETV, originally scheduled to be given by USIA Dir. **Edward R. Murrow**, who is recuperating from operation for removal of cancerous lung.

Sen. Hartke (D-Ind.) named representative of Commerce Committee to radio allocations conference in Geneva, expects to leave Oct. 14.

Richard J. Raburn Jr., controller, & **Rocco M. Laginestra**, financial planning & budgets dir., elected NBC vp's.

Ted Rogers, former MGM-TV exec. producer and onetime producer of NBC-TV's "Wide Wide World," named asst. to Metromedia Pres.-Chmn. **John W. Kluge**, responsible for general corporate duties.

Adron M. Miller promoted to bcst. merchandising & west coast operations mgr., RCA Bcst. & Communications Products Div., headquartering in Camden, N. J., succeeding **M. A. Trainer**, now the division's International Liaison & Customer Relations Mgr.

Joseph P. Hanley, ex-Macy's, appointed public information dir., of radio WCBS N.Y.

William Dalton, ex-NCTA pres., forms Executives Consultants, 631 National Press Bldg., Washington (phone: 347-2472), providing advisory service to trade associations and groups serving associations.

George S. Dietrich, station mgr., radio WNBC N.Y., resigns, plans unannounced... **Richard J. Anderson**, ex-chief engineer, KOVR Sacramento-Stockton, named engineering mgr., KTTV & radio KLAC Los Angeles.

Jerome H. Stanley promoted to film programs dir., program admin., NBC-TV West Coast; **John Hinsey** promoted to film programs mgr... **Michael Connor**, veteran European film sales exec., named to head Screen Gems sales in Germany.

Murray Gross, ex-Metromedia advertising dir., rejoins TvB as communications dir...

Dan Katz, ex-WMT-FM Cedar Rapids mgr., joins TV staff of rep Katz Agency; he's son of Pres. **Eugene Katz**.

Philip D. Marella, WIIC Pittsburgh local sales mgr., promoted to asst. gen. sales mgr... **Donald S. Moeller** promoted to local sales mgr., WGAN-TV Portland, Me.

Raymond M. Smith, ex-sales mgr., National Advertising Co.'s Shopping Network Div., named Mutual gen. sales mgr... **Paul R. Fry**, ex-radio KBON Omaha, pres., & **Ernest S. Sanders**, ex-WOC-TV-AM Davenport, appointed to NAB field staff.

Robert B. Cooper Jr., ex-publisher of Horizons Publications, Oklahoma City, named exec. administrator of American Citizens Band Assn.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington, D.C. 20006
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

Indictments for $412,137 fraud were handed down by N.Y. grand jury against L. Nicholas Dahlman—former head of Broadcast Planning Inc., Broadcast International Inc. & International Broadcasting Systems Inc.—and banker Benjamin S. Haggett Jr. When firms were insolvent and owed Meadow Brook National Bank $210,000, Haggett is said to have approved loans of $142,000 and $60,137 to the companies. Warrant was issued for arrest of Dahlman whose whereabouts were unknown.

Shift of murder trial out of N.Y. because of TV was ordered by State Supreme Court Appellate Div. Questioning of 2 accused 16-year-olds at police hq, by ABC reporters who filmed interview, included this exchange: "Why did you kill the woman?" "She screamed." Court said: "People are not arrested to provide news stories or telecasts. They are arrested to be brought to justice."

Purchase of WMTW-TV-FM Mt. Washington (Vol. 3:40 p5) by Jack Paar has been agreed upon. He'll pay "something under $4 million" for 80.5%, according to John W. (Duke) Guider, who'll retain 19.5% and remain as pres.-gen. mgr. Guider reports there'll be no change in management or policy.

WWJ-TV Detroit plans modernization & expansion of facilities over 2 years, costing $1.2 million. GE & RCA will supply most equipment. Station will have 4 color tape recorders.

Canadian satellite growth was 40 stations last year. Stations with most satellites: CFCR-TV Kamloops, B.C. (11); CHBC-TV Kelowna, B.C. (12); CHAU-TV Carleton, Que. (7).

CATV equipment sales of $2.5 million in year ending last June are reported by Ameco, Phoenix. Firm has acquired new building for production expansion.

RCA has extended warranty on its 5820-A image orthicon camera tube to 750 hours' service from previous base of 500.

AAAA holds eastern conference Nov. 6-8 at N.Y.'s Waldorf-Astoria.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

DISCOUNT 'MINUTEMEN' MAP QS FIGHT: Influential, well-heeled, and apparently fast-moving "Committee for Competitive Prices," formed Oct. 1 (Vol. 3:40 p10) to battle pending Quality Stabilization legislation, already is at work via Ruder & Finn PR firm formulating anti-QS crash program.

War chest of $125,000 was set as initial goal, and already "a good percentage of that has been pledged," we were told by CCP spokesman, and there's every indication that additional funds will be available if needed.

"We are not a trade association," spokesman emphasized. "We are an emergency group of the discount industry formed to develop a crash program to defeat Quality Stabilization. That's our only target. When the QS matter is settled, we will disband."

CCP organized initially with representatives of 31 discount stores, but "we're getting letters every day from companies that want to join us," we were told by Martin Chase, organizing mainspring of CCP, chmn. of its executive committee, and treas. of Ann & Hope Factory Outlet, Cumberland, R. I. (Vol. 3:31 p7). "The more the merrier," he said. "The more people we can get into this fight against QS, the more effective we'll be."

Complete CCP crash program is being funneled through Ruder & Finn, who told us: "We're inviting the entire discount industry to join us and hopefully, in the next week or so, we will represent the industry to a large degree." Membership roll already reads like Who's Who in discount field, and CCP 15-man executive committee includes such discount leaders as Spartan Pres. Stanley Maer, Arlan's Treas. Herbert Palestine, Zayre Pres. Stanley Feldberg, Gamble-Skogmo Vp Henry Fromelt, Virginia Dare Vps Abraham Jacobson & Harold Gottfried, Interstate's Frank Beckerman, dir. of Topps discount operation, Dixie Mart Pres. Harold Waller, Apex Pres. Al Tilavin, Lechemere Sales Pres. Maurice Cohen. Also represented on board is influential, California-based Allied Consumer's Council, representing closed-door discount houses, which joined CCP this week.

"We're going to get the facts to the public in every way we know how," CCP told us. "We're going to alert them to just what QS will mean to them in terms of increased prices. We have only one target—to defeat QS."

Meanwhile, 5-month-old National Assn. of Mass Merchandisers (Vol. 3:23 p8) intensified its anti-QS activities, issued call for more members and funds. In Oct. 9 letter to membership—22 companies representing 169 member stores and 596 leased depts.—exec. dir. Roger Courtland opined QS bills "will not become law during this current session of the Congress," called for budget of $55,000 to carry on fight. He said $55,000 "would be adequate to defeat the proposed bills," would spend $20,000 for "lobbying activity," $10,000 for "legislative activity in Washington," $10,000 for promotion, including distribution of 1,000-2,500 anti-Fair Trade kits, balance for overhead. Commencing Nov. 1, Association will issue monthly NAMM Newsletter to update members on latest QS developments.

NAMM's membership roll also is impressive, includes such giant store chains and lessee organizations as GEM, GOVCO, Gamble-Skogmo, Zayre, Family Bargain Centers, Gateway Sporting Goods, Carter-Overton, Marrud.

Courtland emphasized that NAMM is a permanent trade association, told us "we have offered our complete cooperation and assistance" to new CCP group, noted that "5 of our members are on their 15-man executive board."

In another QS development, FTC Chairman Paul Rand Dixon, appearing before Oct. 9 Senate Commerce Subcommittee hearing on S-774 QS bill, reiterated FTC's opposition to the legislation, said, "if you really want to help the little man," QS legislation should include private label provision. "If a manufacturer wants to offer a product of similar make and quality to that he is price fixing," Dixon amplified, "then he has to fix a standard price on that, too, and offer it for sale to everybody."

Dixon said resale price maintenance would cost American consumers some $5 billion a year,

added: "It has been proved that retail prices on fair-traded products are higher in states with resale price maintenance laws than in adjoining states which do not have these laws." He continued: "If the vital element of competitive pricing is removed from a significant part of our economy, what remains is not competitive, but a price-controlled system, with resale prices of branded articles set by manufacturers." Subcommittee hearings continue Oct. 14.

FIRST COMMERCIAL FLAT COLOR TUBE: Initial shipments of 2-color display tube 2-in. thick, with 4x8-in. viewing surface, are scheduled in about 4 months. Tube, which can be viewed from either front or back, is designed for civilian oscilloscope & instrumentation use—not for color TV. Nevertheless, it's significant in that it is clamed to be forerunner of 3-color thin picture tube which its promoters say will be developed in 2-3 years.

Developer of flat 2-color tube is Video Color Corp. (729 Centinela Ave., Inglewood, Cal.), which is working to combine Kaiser Industries' thin tube with color display principles of Dr. C. Willard Geer. Kaiser thin tube, developed principally by William Ross Aiken, now affiliated with Video Color, was first reported in these pages in Jan. 1955 (Vol. 11:3 p10). Dr. Geer, ex-Hoffman Electronics, is engineering vp of Video Color.

Video Color has non-exclusive license from Kaiser for development & production of thin tubes for military & industrial use, and option for license to develop home TV 3-color version, as well as ownership of Geer's color patents. Both Kaiser & Video Color have been supplying thin tubes to military.

Geer color principles were explored jointly by Technicolor & RCA in 1950 r&d program, and by Hoffman in 1953. They involve various methods of utilization of screen itself to separate the 3 primary colors. Video Color's 2-color tube has glass screen in center of bulb, with red phosphors on one side, green on other.

There are no major technical barriers to development of "Video Color Thintube" for home color TV, we were told last week by Video Color Pres. Harold W. Berger, ex-consulting engineer and former Martin Co. & Northrop Corp. executive. "We were never more certain than we are now that this approach makes much sense for color TV," he said. "We know how we can do it."

Three-color home TV Thintube would be about 3 3/4-in. thick, Berger said. Because it would require no shadow mask—"nothing between the gun and the phosphor"—he claimed it could be built with 5 times brightness and better resolution than current tubes, at competitive prices.

Video Color has no plans to produce color tubes for home TV on large-scale basis, but rather to license others while maintaining prototype capability for further development. Kaiser presumably could also manufacture & distribute similar tube, since it has been granted non-exclusive license under Geer patent by Video Color.

Although Video Color's Thintube has yet to be proven out in any home TV version—and it's just one of many proposals for new-principle color tubes—its unique shape & possibilities are arousing industry interest.

CRISIS IN COLOR PICTURE TUBES: Industry is going into Christmas selling season gasping for more color tubes—and with no prospect of relief. Shortage could last through next year. Here are simple facts:

Color TV is where the profit is. It's TV's high-end, TV's only major high-markup item (even despite recent color price cuts). There is still only one manufacturer of color tubes—RCA—and its tubes are strictly on allocation. Some major manufacturers who entered color late are understood to have been allotted as few as 12,000 color tubes for entire year of 1963.

Three other tube manufacturers are urgently trying to crank up color tube production, but their output this year—if any—will be mere drop in bucket. Sylvania has sent out samples, but realistically doesn't expect to make more than 15,000 this year. Zenith's Rauland, too, is having start-up troubles.

and can't be counted on to ease pressures this year. National Video now claims to have solved its major problems, is scheduled to go back into limited production of 23-in. rectangular tubes for Motorola Oct. 21.

There are only 3 other U.S. picture-tube makers for OEM market. These are GE, Philco (Lansdale) & Westinghouse. None has made any discernible move to enter color production. They can be counted out of market for 2 years, at least. Admiral's exploration of color tube production (Vol. 3:38 p8) couldn't possibly bear any fruit until shortage is over, even if there is any serious intent behind its investigation.

RCA says its surveys indicate there will be demand for more than 1.5 million color tubes next year, but hasn't stated how many it expects to produce. It's good bet, however, that RCA will not increase its color tube capacity substantially—in view of fact that with 3 new producers eventually entering field, RCA has no desire to create over-capacity in 1965. RCA, incidentally, has notified its customers that it will supply only 800,000 color yokes next year. With general belief that more than million color sets will be produced, set makers thus are looking for other yoke suppliers. F.W. Sickles Div. of General Instrument is now making color yokes; Advance Ross designed yoke for Motorola 23-in. color set, presumably will also make yokes for 21-in. color sets.

Added to color tube problems is coming changeover to 25-in. rectangular 90° tube—probably beginning some time next year—which will necessitate shutting down some production capacity for considerable period.

Industry today would be extremely receptive to more color tubes from any source—including Japan. Although Japan has standardized on 16-in. rectangular 90° color tube, there's little prospect of any substantial quantity becoming available for at least year or 2. Nevertheless, industry would love to get hands on good quantities of these, if prices were right. Toshiba says it has samples of its 16-in. 70° color tube in U.S. now and is "willing to sell to OEM." But it hasn't indicated how many it can make or how soon.

There aren't many dark horses in race. Sony has repudiated reports that it will begin producing Chromatron tube next spring, insists it doesn't know yet whether it will make the Paramount-developed color tube at all. Although Sony's current license precludes U.S. marketing, Paramount TV chief Paul Raibourn says his company would have no objection to licensing Sony to ship tubes or sets into U.S.

Nobody knows exactly how much worrying to do about next year's tube supply. It depends not only on RCA's capacity, but how fast RCA's 3 competitors swing into production and how high their production rate is. It's little solace for this year, but National Video Pres. Asher Cole observes, philosophically: "Never in the history of this industry has there been a bottleneck which hasn't been broken in a short time."

For present, however, it's obvious that there won't be slightest easing of logjam this year.

* * * *

First concrete information on this year's color tube output came last week from Glass Tempering Assn., whose members make nearly all external and PPG-type bonded picture tube implosion plates. Assn. Pres. C. Burt Kallick said members had supplied 407,316 tempered glass panels for color TV during first 6 months of this year—including both bonded & external types. All color tubes use either one or the other.

TV-RADIO PRODUCTION: EIA statistics for week ended Oct. 4 (40th week of 1963) excluding 11-in. and smaller:

	Sept. 28-Oct. 4	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV...	163,090	180,777	150,513	5,346,682	5,014,602
Total radio	454,086	458,309	441,844	13,363,526	14,300,249
Auto radio.....	204,129	210,609	162,195	5,715,029	5,153,180

(Note: Figures for Sept. 7-13 week, not previously reported: black-&-white TV, 157,314; total radio, 433,400; auto radio, 193,739. TV 11-in. & smaller excluded.)

Trade Personals

Fred J. Borch, GE exec. vp of operations, former (1959-1962) vp & group exec. of consumer products group, will become pres. & chief exec. officer when **Ralph J. Cordiner** retires Dec. 21 as chmn., chief exec. officer and a dir. **Gerald L. Phillippe**, now pres., will succeed Cordiner as chmn.

S. I. Ross appointed Fairchild Camera & Instrument asst. comptroller.

Theodore S. Hoffman, Hoffman Electronics industrial relations vp, named acting gen. mgr. of Military Products Div., succeeding Chmn.-Pres. **H. Leslie Hoffman** who had been directing division's operations on temporary basis since resignation in July (Vol. 3:31 p10) of **Stanley W. Horrocks** as corporation's pres.

Rodger B. Wiltse appointed GT&E Service Corp. insurance & pensions dir.

R. G. Simpson named gen. mgr. of Montreal-based RCA Victor Co.'s reorganized Home Instrument Div. Other appointments: **D. Lloyd**, TV dept. mgr.; **E. F. Large**, radio-Victrola dept. mgr.; **W. B. Morrison**, engineering dept. mgr.; **L. Henry**, styling dir.

Jack Altschuler appointed national sales mgr., Sampson Co.'s OEM Div.; **Harry P. Rail** named asst. national sales mgr.

John Guyette appointed Raytheon microwave cooking dept. national sales mgr., a new post.

Obituaries

Harry F. Porter, 69, co-founder (in 1942) and vp of Magnetic Metals, Camden, N. J., died Oct. 7 at his Elkins Park, Pa. home, in suburban Philadelphia. He pioneered in development of magnetic and electrical alloys for use in communications, radar, other applications. He is survived by his widow and son.

Laurence R. Hubbard, 74, retired Western Electric engineer, died Oct. 3 of heart attack at his Westfield, N. J. home. He had been with Western Electric for 31 years, retired in 1954. He is survived by his widow, son, daughter.

Owens-Illinois is taking its socks off—that is, it's removing fiberglass sleeve, or "sock," from funnel of Kimcode picture tube, making it more competitive with Corning's Shelbond process. New Kimcode III bare-faced tube (Vol. 3:38 p9) also features improved rim-band epoxy resin, smaller high-tensile-strength tension band. Principal difference between Kimcode III & Shelbond: Former has cemented rim-band & tension band, while latter uses one-piece cemented rim-band. Owens-Illinois reports that material costs for Kimcode III are "substantially less" than for Kimcode II, that several customers have received UL approval for their own variations of Kimcode III, and others are now undergoing UL tests. RCA is known to be experimenting with "sockless" version of its Panoply tube, which uses Kimcode principles but with welded, instead of crimped, pressure band. Under consideration is possibility of adding mounting ears to Kimcode III. Shelbond has built-in mounting facilities. Bare-faced tubes have made no inroads on TV market yet, as indicated by report of Glass Tempering Assn. that its members' implosion plates were used in record 76% of all b&w sets manufactured in first 6 months of 1963.

JAPANESE TV EXPORTS CONTINUE RISE: If Japanese producers are feeling impact of U.S.-made 11-in. sets, it hasn't shown up yet in their shipments of TVs to this country, which in Aug. amounted to all-time high of nearly 10% of domestic U.S. TV production.

Transistor radio shipments fell off a walloping 38% in Aug., compared with Aug. 1962, reflecting for first time the slump being felt in domestic radio sales. All Japan-to-U.S. radio export categories were down.

Shipments of TVs continued to run about 4 times 1962 figure, both in Aug. & year-to-date. Here are latest Japan-to-U.S. export figures, in units, for Aug. & 8 months, with 1962 comparisons:

	Aug. 1963	Aug. 1962	8 mo. 1963	8 mo. 1962
TV sets.....	59,729	15,889	254,459	62,604
Transistor radios*..	452,116	725,510	4,689,267	4,502,027
Tube radios	121,119	158,265	720,188	1,054,018
Other radios.....	182,412	232,924	1,413,033	1,918,994

*3 or more transistors

Minimum prices of TVs for export to U.S. were approved by Japan govt. last week, effective retroactive to last Sept. 20. These are official minimum export prices: 19-in. AC sets, $56.65 (all-channel $64.89); 16-in. AC, $46.35 (all-channel $56.65); 5-6-in. transistor, $72.10 (all-channel $82.40); smaller than 5-in. transistor, $66.95 (all-channel $77.25). Sizes not included are not currently controlled.

Controls are expected to have no effect on U.S. pricing of imported TVs. Govt.'s price floors are well below prevailing export prices in many cases. When actual prices drop, govt. is expected to change its control prices or face almost universal under-the-counter deals to circumvent regulations.

Consumer electronics offers prospective engineers ample challenge & opportunity, and industry should do more to sell careers in this field, Philco Pres. Charles E. Beck declared at recent dedication of U. of S. Cal.'s Olin Hall of Engineering. Noting that military electronics has had first call on engineering talent for 2 decades, Beck said consumer electronics field now needs engineers to spark an overdue resurgence in development of new products, called upon industry to stress career opportunities available.

Major TV-radio-phono manufacturers are all taking hard look at tape recorder field. As reported last week (Vol. 3:40 p11), GE was latest to enter. Previously, Magnavox, Westinghouse & Symphonic brought out recorders, joining Emerson (which had acquired Telectro) and RCA. Who's next? Best guess is Zenith, which once signed contract (now expired) for use of 3M-Revere tape cartridge changer and recently was awarded 2 tape-recorder patents.

Majestic International, which lost Grundig line to manufacturer branch (Grundig-Triumph-Adler Sales Corp.), has taken over Saba line from Lone Pine Electronic Products Corp. Using tradenames "Majestic by Saba" and "Recordio by Saba," initial products will include phonos, radios, tape recorders and Saba's Telerama projection TV.

Admiral has licensed Marsland Engineering, Waterloo, Ontario, to manufacture its automatic record changers.

Negotiations by Sarkes Tarzian Inc. with Nippon Electric Co., on technical assistance agreement, have been discontinued, according to Tarzian. Commenting on report in Japan's "Daily Electronic News" that pact had been signed, Tarzian stated that he had discussed purchasing tubes from NEC and licensing the Japanese firm to produce Tarzian-designed tuners. Tarzian said his company is ready to fill all industry orders for uhf tuners "if they give us a 6-week lead time."

Sylvania will increase its $1-million fall ad budget by 25%, with double-page color spreads in national magazines in late Nov. & Dec. Sylvania Home & Commercial Electronics Corp. Merchandising vp John T. Morgan said 1963 factory unit stereo sales were 30% ahead of 1962 and TV sales were 16% ahead, for year's first 7 months. Sylvania last week introduced new low-end HaloVision console at $229.95.

Story of uhf, in color slides & audio tape, may be borrowed up to 30 days from FCC Office of Chief Engineer. Designed primarily for use by TV set makers & technicians, presentation gives history of TV development, tips on antenna installation. FCC encourages copying of material.

Golden Shield Corp., which provides private label consumer electronics merchandise, primarily for jewelry stores, has introduced 16-in. TV at $139.95, 19-in. at $199.95, 23-in. console at $279.95, tape recorders at $99.95 & $149.95, stereo console with AM-FM at $199.95, table radio at $19.95, clock radio at $24.95, transistor radios at $9.95, $19.95 & $39.95.

Fourth U.S. entry in tinyvision race may be Setchell Carlson. The St. Paul manufacturer is understood to be planning 11-in. U.S.-made set. Others are GE, Admiral, Curtis Mathes. Other American brands, including Westinghouse & Sears, are researching prospects of mass imports of Japanese-made 12-in. sets.

Music Industry Trade Show will be held next year in Chicago's Conrad Hilton Hotel June 28-July 2. Both 1965 & 1966 shows will also be held in Chicago, probably at Hilton, bypassing N. Y. as site for 1965. In past, shows have been held for 2 years in Chicago, 3rd year in N. Y.

Radio Fall Meeting, annual technical event, will be held this year Nov. 11-13 at Manger Hotel, Rochester, N. Y. Principal speakers will be EIA Pres. Charles F. Horne & Rear Adm. B. F. Roeder. With this year's meeting, EIA ends sponsorship of RFM, which will be assumed by IEEE's Rochester section.

Westinghouse proposal for new 3-year contract (Vol. 3:39 p10) has been rejected by IUE's National Westinghouse Conference Board which advised its locals to "take whatever action may be necessary to secure an adequate and satisfactory agreement."

Sampson Co. has formed an Electronics Products Div., with Sampson vp Paul Davidson as pres., to expand business in components & end products, as well as in existing lines. Davidson said new division should add $10 million to sales.

Sale of assets of Ravenswood Corp. for non-payment of taxes was canceled last week when Internal Revenue Service relinquished sales privileges to J. V. Morgan Jr., Washington, D.C. attorney, trustee in bankruptcy.

RCA'S RECORD 9 MONTHS: Despite 9% decline in govt. billings, everything came up roses for RCA in 1963's first 9 months as advancing commercial & industrial business pushed sales & profits to peak levels (see financial table). Profits boomed 29% to record $44.2 million on 4% sales gain to a $1.314 billion high. Third-quarter earnings were up 44% to record $14.8 million on sales gain to peak $436.7 million from $411.6 million a year earlier.

July-Sept. earnings gain marked RCA's 10th consecutive period of profit improvement over comparable year-earlier quarter, Chmn. David Sarnoff & Pres. Elmer W. Engstrom emphasized, adding: "We anticipate that 1963 will be the best year in RCA's history for both sales and profits. Given a continuance of the present performance of the national economy, we foresee a further rise in both our earnings and our profits-to-sales ratio in the years ahead."

Contributing to record-making performance, they said, were: 70% profit gain by NBC; 65% increase in distributor sales of color sets; 35% jump in bookings of electronic data processing units; increasing sales of TV sets & picture tubes.

"We expect that our dollar volume from color TV set sales will surpass the total sales of all other RCA home instruments in 1964," Sarnoff & Engstrom said. "We anticipate that color in all its aspects will become a billion dollar industry in 1964."

Stockholder has filed suit to block sale of Adler Electronics to Litton Industries (Vol. 3:37 p12) on grounds that all necessary facts about proposed sale weren't given to stockholders. Temporary injunction is sought in N. Y. County Supreme Court. Adler Pres. Benjamin Adler noted that management controls some 70% of outstanding stock—more than enough to approve sale—and that proxies from other stockholders are running 4-to-1 in favor of sale. Litton plans to issue $9.7 million in common stock for Adler shares. Adler principals will receive some $11 a share for their stock, other holders $15. Payment is in 2 parts. First payment of $8.4 million would be based on average closing price of Litton stock in the 10 days to Oct. 8. Second payment, $1.3 million in stock, would be based on Litton's average closing price in last 10 days of Dec. 1964.

New firms: Delcor Industries has been established in Flushing, N. Y., at 136 38th Ave., to design, produce & distribute home entertainment products. It's headed by David Libsohn, ex-Telectro, will debut with 2 tape recorder models... **M & M Associates** has been formed in N. Y., 480 Lexington Ave., to serve as manufacturers rep for home entertainment products & appliances. Principals: Max Zagoren, former Westinghouse Appliance sales mgr. for TV, stereo, air conditioners; Milton Geller, ex-Philco TV sales mgr.

Thompson Ramo Wooldridge is now advertising "TRW" as "our new corporate trademark," emphasizes that "from now on we'd like to be known simply as 'TRW' and we hope this shortened version of our name will become a familiar sight to all of you who do business with us."

Nippon Electric has moved to vacate service of antitrust complaint filed against it by Symphonic (Vol. 3:29 p7). Arguments will be heard in N. Y. federal court Oct. 15.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
GE	1963—9 mo. to Sept. 30	$3,606,459,000[1]	$392,467,000	$192,400,000[1]	$2.14	90,096,748
Story below	1962—9 mo. to Sept. 30	3,483,153,000	370,459,000	179,495,000	2.01	89,521,886
	1963—qtr. to Sept. 30	1,209,101,000[1]	—	66,280,000	.74	90,096,748
	1962—qtr. to Sept. 30	1,164,317,000[2]	—	59,518,000[2]	.67[2]	89,521,886
General Instrument	1963—6 mo. to Aug. 31	47,121,239[1]	861,683	508,183	.20	2,570,401
	1962—6 mo. to Aug. 31	41,194,131	477,609	355,309	.14	2,565,401
Story below	1963—qtr. to Aug. 31	22,938,087[1]	332,503	257,503	.10	2,570,401
	1962—qtr. to Aug. 31	20,005,693	153,259	153,259	.06	2,565,401
P. R. Mallory	1963—9 mo. to Sept. 30	73,680,668	6,261,368	2,948,475	1.81	1,621,113[3]
	1962—9 mo. to Sept. 30	73,957,409	6,587,099	3,192,401	1.96	1,621,113
	1963—qtr. to Sept. 30	23,610,621	2,164,571	1,001,893	.61	1,621,113
	1962—qtr. to Sept. 30	24,878,915	2,253,048	1,142,022	.70	1,621,113
Metromedia	1963—39 wks. to Sept. 29	45,680,000[1]	—	2,310,000[1]	1.28	1,746,464
	1962—39 wks. to Sept. 30	38,200,266	—	1,292,691	.72	1,707,682
	1963—13 wks. to Sept. 29	17,700,000	—	472,000	.26	1,746,464
	1962—13 wks. to Sept. 30	11,993,434	—	271,036	.14	1,707,682
RCA	1963—9 mo. to Sept. 30	1,314,000,000[1]	91,700,000	44,200,000[1]	2.40	17,390,000
Story on p. 11	1962—9 mo. to Sept. 30	1,265,500,000	69,900,000	34,300,000	1.88	16,947,000
	1963—qtr. to Sept. 30	436,700,000[1]	30,800,000	14,800,000[1]	.80	17,390,000
	1962—qtr. to Sept. 30	411,600,000	21,300,000	10,300,000	.56	16,947,000
Raytheon	1963—9 mo. to Sept. 30	364,398,000	—	4,962,000[4]	1.15	4,125,238
	1962—9 mo. to Sept. 30	440,884,000	—	7,819,000	1.89	4,011,326
	1963—qtr. to Sept. 30	109,573,000	—	1,303,000	.30	4,125,238
	1962—qtr. to Sept. 30	128,125,000	—	2,483,000	.60	4,011,326
Wrather Corp.	1963—year to June 30[5]	13,180,000[1]	—	899,296[1]	.51	—
	1962—year to June 30	12,000,000	—	593,341	.34	—

Notes: [1]Record. [2]Voluntary price adjustments arising from sale of products involved in 1961 anti-trust cases had effect of reducing earnings by $3.7 million (4¢ a share), sales $7.8 million. [3]Outstanding Sept. 30, 1963, reflecting conversion of 5% series A preference stock March 1963 and 2% stock dividend Dec. 1962. [4]Before special $3,350,000 (81¢ a share) charge for phasing out East Coast semiconductor operation (Vol. 3:10 p10). [5]Does not include A. C. Gilbert toy company, 51% owned by Wrather.

GE's defense business slipped below year-earlier levels but more-than-compensating "sales strength in consumer goods, industrial equipment and international shipments" pushed 9-month sales & earnings to record levels, Chmn. Ralph J. Cordiner announced (see financial table). Earnings in first 3 quarters rose 7% to $192.4 million on 4% sales gain to $3.606 billion. Third-quarter earnings jumped 11% to $66.3 million on 4% sales rise to record $1.209 billion. Cordiner also noted a "general firming of prices in the electrical equipment and appliance market," termed it "one of the most favorable developments of 1963."

Manufacturers' excise taxes for TVs, radios, phonos, & components rose to $184,220,000 in fiscal year ended June 30 from $173,024,000 in preceding year. Internal Revenue Service also reported that taxes for these products in April-June period rose to $47,305,000 from $43,971,000. Total excise taxes increased in 1963 fiscal year to $5,610,309,000 from fiscal-1962's $5,132,949,000.

"Heightened rivalry throughout electronics field suggests that future profits growth will be much more difficult to achieve than sales expansion," noted "Financial World" in Oct. 9 analysis of "Electronics—Deflated Group." Emphasizing that postwar period witnessed "speculative orgies in a large number of stock groups," magazine declared: "Undoubtedly, the biggest boom and bust of them all has occurred in electronics... Although most electronics issues have lost their luster and are well deflated, few appear to be much of a bargain even at current levels."

General Instrument continued comeback from loss sustained in 1963 fiscal year ended Feb. 28 (Vol. 3:22 p12) with record sales and sharply increased earnings in fiscal-1964's first half and September quarter (see financial table). March-Sept. profit climbed to $508,183 from $355,309 a year earlier on 14% sales gain to $47.1 million. Chmn. M. H. Benedek attributed improvement in part to increased shipments of uhf TV tuners to set manufacturers.

NAB LIBRARY

WEEKLY

Television Digest

with

Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

OCTOBER 21, 1963 NEW SERIES VOL. 3, No. 42

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

NEW-STATION STATUS REPORT: 12 started this year, 5 of them ETV, 4 uhf; 17 more due in next 6 months, 7 ETV, 8 uhf (p. 1).

ROGERS—FCC TOO BIG FOR ITS BRITCHES: Congressman sets Nov. 6-8 as hearing dates for bills to stop FCC's plan to limit commercials. He said some independent agencies have dangerously assumed role of 4th branch of govt. (p. 2).

GROUP W SUCCEEDS AS TV-STAGE ANGEL. 'The Advocate' hailed as fine TV fare, though stage version fails to excite. McGannon tickled, hopes to break even, at least (p. 2).

NAB SESSIONS SPOTLIGHT GOVT. PROBLEMS: Fall Conferences are concerned with commercial limitations, Codes, fairness doctrine, ratings. Audit of rating services to begin in first quarter; NAB all set to partner RAB methods study. Collins says FCC has too much power (p. 3).

FCC & FTC TOLD TO CHECK STAFF INCREASES: Sens. Magnuson & Allott voice concern over rising manpower. FCC quized about commercial limitations, editorializing. Comr. Lee uncommitted on commercials (p. 5).

Consumer Electronics

DETENT UHF TUNER to be produced by Mallory early next year, competitive with conventional tuners; more set makers step up tuner activities; manufacturers act to minimize tuner dislocations and shortages next spring (p. 7).

BEST TV SALES for any month in 7 years scored in Sept. —not including 11-in. sets; inventories at low levels; radio sales improving slightly, but still far below '62; phono sales continued good in Aug. It appears that tinyvision didn't cut into sales of standard TVs (p. 8).

ELECTRONICS PARTS DISTRIBUTORS IN SQUEEZE: Though industry sales topped $1 billion mark for first time last year, and trend is continuing, profit picture represents less cheerful story. Amalgamated profits of 5 largest firms dipped in first half (p. 9).

MUNTZ TV SUED ON TUBE IMPLOSION: Insurance company for retailer who lost breach-of-warranty personal injury suit arising out of 1961 set implosion now seeks to recover damages from manufacturer. Set was Muntz-made private-label Ambassador-brand model sold by Allied Stores subsidiary Cain-Sloan, Nashville, Tenn. department store (p. 10).

NEW-STATION STATUS REPORT: Rate of new-station starts, modest for last few years, seems due for bit of a spurt soon—in no small part due to growth of ETV which now has federal funds in its pockets.

There were 12 new starters (4 uhf) in first 10 months of this year, 5 of them ETV, while 3 stations called it quits. In next 6 months, if projections by builders are realistic, we'll see 17 more (8 uhf), 7 of them ETV.

This year's new outlets are: WTEV (Ch. 6) New Bedford-Providence; WOOK-TV (Ch. 14) Washington; WGSF (Ch. 28 ETV) Newark, O.; KIIX (Ch. 22) Los Angeles; KAIT-TV (Ch. 8) Jonesboro, Ark.; WQAD-TV (Ch. 8) Moline, Ill.; WNBE-TV (Ch. 12) New Bern, N. C.; WHYY-TV (Ch. 12 ETV) Wilmington, Del.; WVAN-TV (Ch. 9 ETV) Savannah; WNTV (Ch. 29 ETV) Greenville, S. C.; WMEB-TV (Ch. 13 ETV) Orono, Me.; WGHP-TV (Ch. 8) High Point, N. C.

Three stations quit this year: WCCB (Ch. 32) Montgomery, Ala.; KFOY-TV (Ch. 9) Hot Springs, Ark.; KSLN-TV (Ch. 34) Salina, Kan.

Herewith are prospective new stations for next 6 months, with targets given by principals: KECC-TV (Ch. 9) El Centro, Cal., fall; WHNT-TV (Ch. 19) Huntsville, Ala., fall; WCIU (Ch. 26) Chicago, fall; KFME (Ch. 13 ETV) Fargo, N. D., Nov. 1; KNMT (Ch. 12) Walker, Minn., Nov.; KBLU-TV

Copyright 1963, by Television Digest, Inc. Reproduction in any form, without written permission, prohibited.

(Ch. 13) Yuma, Ariz., Dec. 1; KTVS (Ch. 3) Sterling, Colo., Dec.; KUSU-TV (Ch. 12 ETV) Logan, Utah, Jan. 1; WEIQ (Ch. 42 ETV) Mobile, Ala., Jan. 1; WBGU-TV (Ch. 70 ETV) Bowling Green, O., Jan. 2; WMEM (Ch. 10 ETV) Presque Isle, Me., Jan.; WSVI (Ch. 8) Christiansted, V.I., Jan.-Feb.; KCSM-TV (Ch. 14 ETV) San Mateo, Cal., Feb. 4; KCOY-TV (Ch. 12) Santa Maria, Cal., Feb.; WNJE-TV (Ch. 77 ETV) Glen Ridge, N.J., 1964; WTIU (Ch. 30 ETV) Bloomington, Ind., April-May; WNJU-TV (Ch. 47) Newark (Linden), N.J., spring.

ROGERS—FCC TOO BIG FOR ITS BRITCHES: FCC and some of its regulatory agency brethren are dangerously assuming role of 4th branch of govt., in opinion of Rep. Rogers (D-Tex.), chmn. of Communications Subcommittee. Issues involved are basic to govt., he told us, because FCC is trying to exercise legislative, administrative, judicial functions.

Rogers has strong feelings about regulatory agencies "being responsible to the duly elected representatives of the people." If trend continues, Congress will have to limit its efforts to defense, taxes & appropriations, he speculated.

He'll shortly have chance to air issue, has set Nov. 6-8 for hearings on bills to prohibit FCC from setting rules on length & frequency of commercials. He plans hearing on license fees later. (He addresses Texas Assn. of Bcstrs. Oct. 21 in Dallas.)

FCC can't write "substantive law," Rogers said, though "they prefer to call these changes procedural." He emphasizes that agencies are creatures of Congress, formed to help lawmakers do their work. "If FCC has a problem, like overcommercialization, it should come to Congress with its reasons and proposals. We assume the solutions would be in keeping with our free enterprise system."

Another thing that gripes Rogers about Commission's proposal to limit commercials is that, in his opinion, FCC is "writing criminal law." He said: "FCC is setting the standards and setting the amount of fines or forfeiture. And all this is going to be done without benefit of a public hearing."

Rogers is also concerned that FCC, by considering adoption of NAB's Codes, has delegated writing of rules to a trade assn. This he finds even more bothersome because FCC wants to promulgate something that "only about half of the stations subscribe to."

Rogers said FCC adopted its rule to set license fees also without a public hearing. Rogers repeated his view that Commission's authority for fees stems from language in 1951 appropriations act, which he thinks is far less than adequate. He's going to hold hearings on his measure to stop FCC from charging fees—unless Congress approves—after his commercial ceiling hearings are finished. At that time he also expects to conclude record on his subcommittee's editorializing hearings of last July.

GROUP W SUCCEEDS AS TV-STAGE ANGEL: "Tremendously successful" is how Group W Pres. Donald McGannon summed up his first experiment with angeling Broadway play and premiering it on group's 5 stations simultaneously.

"The Advocate," drama by Robert Noah about Sacco-Vanzetti case, didn't particularly excite theater critics, and betting was that it would fold on Broadway shortly. But TV reaction was almost uniformly enthusiastic in Group W's cities where it was telecast from tape: Boston, Baltimore, Cleveland, Pittsburgh & San Francisco.

"We'll have to analyze it for about 30 days," we were told by McGannon, a "Man for All Seasons" himself, who seems to be making major contributions to industry everywhere you turn (see p. 3). "But reaction to date bears out the contention that TV is a mass audience, theater a class audience. I think the theatergoer will see plays regardless of what's on TV. They just like to go. It means that a play may succeed on TV where it might not in the theater.

"Technically & dramatically, it was a success on TV. The conversion from the theater to tape was first class. We hope we can do more of them. There was an extraordinary response by the advertiser. We have to wait until the show closes before we can syndicate it. We've had 8 or 10 calls by stations which are eager to take it. I think we'll break even, maybe make a little money. TV can use innovations. The public wants an unusual dish."

Group W was still gathering reactions, including quotes from most TV critics who were generally thrilled with presentation. WBZ-TV Boston proudly exhibited wire from Archibald MacLeish: "My congratulations on your broadcast of 'The Advocate.' This was a really noble service to all of us." Group W put $60,000 into stage version, $80,000 into video taping.

NAB SESSIONS SPOTLIGHT GOVT. PROBLEMS: Big govt. developments of recent months—commercial limitations, Code practices, fairness doctrine, ratings—are setting tone of NAB Fall Conferences which started in Hartford last week, end next month in San Francisco.

Opposition to FCC moves was best articulated at Hartford by Pres. Collins, who said commissioners wear too many hats, exercise too much authority. "I don't know where else in govt. there is such heterogeneous authority as there is in the FCC," he stated. [Rep. Rogers (D-Tex.) also again expressed concern about FCC power, p. 2.]

NAB dished out other blows, had to absorb few socks itself from couple of needlers who wanted to know why NAB wasn't doing more to keep govt. off their backs. One broadcaster wondered what difference was between being regulated by govt. or by NAB with stricter Codes. Major highlights of meetings:

(1) Audit of rating services, supervised by Rating Council, will begin first quarter of 1964.

(2) NAB is "highly in favor" of partnering RAB methodology study. Its Research Committee meets Oct. 21 to pass on "more streamlined" version. NAB will commit up to $75,000 of needed $200,000, but will contribute money in "chapters or stages," giving it opportunity to pull out if it wants to.

(3) It's also learned that proposal calls for NAB to make initial payment of $25,000 to match sum RAB has given to Audits & Surveys Co., which will conduct study.

(4) NAB is "cautiously optimistic" that FCC's proposed ceiling on commercials won't be adopted.

(5) Collins said broadcasting should be kept free from pay TV—"keep the great athletic events available to all the people."

(6) His stand on cigarette advertising hasn't changed. He believes smoking appeal to youth should be minimized, is awaiting Surgeon General's report due in Jan.

(7) Suggestion for program dept. within NAB was raised again. Collins said NAB should be concerned with "product" of broadcasting, said dept. would serve as information exchange.

(8) Regarding Comr. Loevinger's suggestion that industry needs its own news service, Collins said he didn't think industry felt that AP & UPI are inadequate.

NAB head urged industry to welcome criticism, to upgrade service. Referring to knotty problem of Code enforcement, he said "broadcasters haven't found an acceptable way of regulating themselves."

This is one of the things that irks NAB about FCC's proposal to adopt NAB Codes and give them force of law. Collins said time standards contained in Codes are "obsolete," that broadcasters are searching for new guides. He also urged that broadcasters confer with newspapers over FCC's proposal because of its general threat to advertising.

Special film of Congressmen concerned with communications was shown Conference. It included Sen. Pastore (D-R.I.), Reps. Harris (D-Ark.), Rogers (D-Tex.), Younger (R-Cal.), Broyhill (R-N.C.). Pastore said industry is mature enough to handle editorializing. Harris said if he had station he would editorialize, would state positions of both sides, then give his opinion. Broyhill said federal govt. is flexing muscles too much, believes "public interest" proviso is being stretched. Rogers added that, if editorializing guidelines are needed, Congress should set them. Younger was inclined against 315 suspension, said there's nothing that couldn't be handled in regular news programs.

Progress of ratings reform movement was outlined by Group W's Donald McGannon, chmn. of Research Committee & Rating Council. He said most rating services should return their methodology questionnaires within a week to 10 days. These questionnaires, coupled with Council's standards & criteria, will serve as basis of audit. McGannon confirmed that CPA or management consulting firm, such as Price Waterhouse or Ernst & Ernst, would do actual auditing. He said validation would be

similar to an audit of a corporation's books or of bank. Rating Council staff would be paid for by organizations represented on board (TvB, RAB, NAFMB, SRA, networks, plus about 5 members of NAB). In addition, NAB is urging AAAA & ANA to become members instead of their present "observer" status. McGannon said force of reform program would be limited without them.

McGannon stressed need for reform, said attitude that "this too shall pass" must be eliminated. He gave 3 reasons why industry must act: (1) To keep govt. out of advertising & out of "our business." (2) Obligation to put house in order, in light of serious questions raised at hearings about industry's basic "sales yardstick." (3) Obligation to public as licensees.

One reason McGannon favored RAB's methodology study is that it would take care of local radio phase of methodology improvement that NAB has undertaken. He said networks are working on national TV techniques (problems of small samples & non-cooperators); this could cost about $250,000, he said. With local TV & national radio ratings to be worked on, McGannon estimated that total cost for methodology improvement would be $750,000-$1 million.

Rating services would pay for audit & accreditation, but McGannon emphasized that broadcasters must be prepared to pay more for research.

Proposal that industry, with NAB leading way, get Congress to re-write Communications Act, or at least to have Congress put FCC in its place by writing standards, was advanced by Sydney Byrnes, former newsman & owner of WSOR Windsor, Conn.

Paul Comstock, NAB govt. relations vp, said a lot of spadework would have to be done first. "It takes a lot of educating," he said. Vincent Wasilewski, exec. vp, questioned whether standards, even if written by Congress, would benefit industry. Collins said there's virtue in having flexibility contained in present Act. "It's tough to get rigid standards repealed," he stated.

Panel on controversial programming, conducted by Howard Bell, planning & development vp, exposed many problems small broadcasters have with interpretation of fairness doctrine. Byrnes said, on some days, he can air a few editorials which he writes & tapes after hours. He said it's impossible for him to take time & manpower to mimeograph every editorial, send them to all interested groups. He said exceptions would be in cases of personal attack. Station policy of offering rebuttal time to groups opposing his views is well-known in community and that this should suffice, he said. Gen. Counsel Douglas Anello agreed.

CAPSULES

Breakthrough in NAB Code support came at agency level, as Kenyon & Eckhardt announced it will confine TV-radio spot purchases to stations subscribing to Codes or their equivalent. Exec. Vp. Stephen Dietz said decision was reached after study of top 50 TV & top 25 radio markets to see which stations were subscribing. Agency will also shift present schedules where "economically feasible."

Metromedia Chmn.-Pres. John W. Kluge had busy week: He accepted Pulse Man of the Year Award and donated $100,000 gift to ETV WETA-TV Washington. Company's donations to ETV now total $660,000, in N. Y., Los Angeles, Washington. In accepting award, Kluge said "broadcasters will have to understand good media research, pay the cost of it, use it creatively to program their stations and to sell their advertising time in the manner of a mature marketer." He also said public would suffer if pay TV became reality. In presenting award, Pulse Dir. Sydney Roslow said it's "discredit" to men & women who buy TV to say they have "idolatrous devotion" to ratings only, to exclusion of other factors. He added that Pulse is working in Qualitative Personal Diary for radio, based on one-day listening.

Big success is reported for theater-TV debut of hockey in Toronto Oct. 13 (Vol. 3:22 p4). According to Paramount subsidiaries Famous Players and International Telemeter, gross in 9 theaters with 11,000 seats, at $1.25-$2.50 each, was $24,000—and 2,500 people were turned away from sold-out houses. It was first of 32 away games of Toronto Maple Leafs (who were licked by Chicago Black Hawks, 4-2).

FCC & FTC TOLD TO LIMIT STAFF: Increasing manpower totals at FCC & FTC aroused concern of Senate Appropriations Subcommittee, as agencies appeared for second time on 1964 budget. "I think you have too many people," said Chmn. Magnuson (D-Wash.) to FCC witnesses. He said there's a "spiderweb" of paperwork.

House 2 weeks ago voted $15.8 million for FCC, $12.1 million for FTC—both less than requested but above 1963 (Vol. 3:41 p5).

Comr. Hyde, asked about commercial ceiling proposal, said "there is a division of opinion in our agency." Sen. Allott (R-Colo.) read letter from Denver broadcaster stating that station is sold out, but that it still has greatest listening audience in area. Allott used this to show that commercials aren't necessarily offensive, said it's argument against supposition of some that "our stations are supposed to operate without benefit of advertising."

But Comr. Cox said letter shows stations can operate within limits of Code and still be successful. He said it also shows that stations wouldn't suffer from proposed rules if they were finalized—which they're "a long way from being," he added. Cox agreed that advertising is essential to "support of our system."

Magnuson commented on criticism of commercials: "I think what the public is thinking about a lot of times is the character of the advertising."

Allott said FCC should give some thought to whether a station is required to use news sent out by govt. agencies. Hyde said there's no requirement, that in his view stations should be "doubly cautious" about anything submitted by govt. agency.

Hyde said FCC is considering primer on editorializing to supplement Fairness Doctrine. Cox said there's nothing under consideration that would restrict right to editorialize.

Magnuson concluded by again urging efficient utilization of manpower, suggesting that present staff work harder. "I think we have gotten the message," said Hyde. "I think we had better quit on that happy note," said Magnuson.

FTC Chmn. Dixon testified that about 20% of staff works on Saturdays. Allott wanted to know where this takes place because he might want to see for himself. "We will be glad to have you, Senator. Don't call us... just come," said Dixon.

In Detroit, RAB audience took heart from statement from Comr. Lee that he isn't committed to adoption of commercial limitations—even though he's the man who first proposed putting NAB Codes into Commission rules. However, he said, proposal had stimulated discussion of subject that needed airing. "Maybe there shouldn't be a Code at all," Lee said. "If [many stations] can't live with the Code, perhaps it's no good and the matter of commercial limits is best left to each individual station manager."

Lee also suggested that everyone plan ahead, that "things don't just happen," that "the future can be scheduled." He said FCC might benefit from locking "3 or 4 eggheads in a room to look & plan far ahead."

CATV franchise for Utica has been granted to Mohawk Valley Community TV Co., controlled by WKTV, which aims to have system operating next spring.

CBS's "Town Meeting of the World" Oct. 15, linking Rome, London & Princeton via Telestar II, drew high praise despite trouble with audio, which, ironically, was caused by land-link breakdown in Switzerland. Telstar worked fine. "The Christian Revolution" was theme, featured discussion by high churchmen in the 3 countries. "N. Y. Times" critic Jack Gould made point that such dazzling technical achievements aren't needed to achieve dissemination of ideas discussed. Said he: "The triumph of 'Town Meeting' has been to demonstrate anew that the content of ideas still remains more exciting than their mode of transport." Others argued that excitement surrounding such telecasts tends to give subject matter more attention than it would receive if transmitted by more prosaic means. CBS Pres. Frank Stanton, still thinking internationally later in week, urged U. S. - Japanese TV program exchange. Speaking before 2nd U. S.-Japanese Cultural & Educational Interchange Conference, he said: "In the history of Japanese-American relations, perhaps no other exchange will in the long run contribute as much toward bringing about the mutual understanding and respect of our peoples."

Non-network cultural entertainment specials will be presented by Esso beginning early next year in about 6 eastern cities. Each of 8 hour-long "Esso World Theatre" programs will be devoted to drama, music, poetry or dancing of one country, and produced in that country. Production is already scheduled in Greece, England, Nigeria & Japan. Greek production was scheduled to start today (Oct. 21), starring Katina Paxinou & Alexis Minotis in classical drama excerpts. English program will feature Sir Ralph Richardson. Telecasts are planned in N. Y., Washington, Boston, Philadelphia, Rochester, & New Haven—stations & times not yet announced. Production will be handled by new firm, Newmark International Inc., headed by Bert Lawrence.

Hopes for improved programming, through new means of getting programs to public, are expressed in Oct. "Atlantic" magazine by Vance Packard, author of "The Hidden Persuaders," etc. He hopes for much from pay TV, CATV, "cultural TV," home video tape recorders. Also: "The creation of a government-financed national TV network is probably a political impossibility. But there are number of intermediate possibilities that conceivably win general support. A quasi-public authority might be established that would be dedicated to serving the public imaginatively..." Packard thinks that station license fees—from $1,000 to $10,000—plus set-owner fees, might pay for such system.

New "Mayors' Awards" for best local programming have been established jointly by U. S. Conference of Mayors and Broadcast Pioneers. Separate awards for a TV station & a radio station will be given "to encourage other station ownership & management to place more emphasis on the needs of the community where the station is licensed to serve," according to sponsors. Entry deadline is Feb. 1.

Program themes for Group W's 5th Public Service Programming Conference in Cleveland: Nov. 11, nature of news & its innovations; Nov. 12, improved techniques for determining & meeting community needs & tastes; Nov. 13, art of TV-radio documentaries.

ABC News has signed "long-term" agreement with Robert Drew Assoc. for production of TV public affairs shows. Drew produced "Crisis: Behind a Presidential Commitment" for Oct. 21 showing.

Personals

Hulbert Taft Jr., pres. & chmn., Taft Bcstg., named chmn. & chief exec. officer; **Lawrence H. Rogers II**, exec. vp, elected pres.; **John L. McClay** elected vp in charge of operations; **David Ingalls** named vice chmn.

Wendell C. Morrison, asst. to chief defense engineer, RCA, promoted to Broadcast & Communications Products Div. chief engineer.

George H. Newi promoted to ABC sports & special program sales dir., succeeded as asst. daytime sales mgr. by **Warren Boorom**, ex-Metromedia vp... **Peter Molnar**, ex-CBS Sports, appointed NBC Sports exec. producer.

Gilbert Seldes, ex-dean, U. of Pennsylvania's Annenberg School of Communications, appointed NET program consultant... **Robert E. Thomas**, associate dir. of development, ETV WNDT N. Y., promoted to asst. to pres.

Clyde R. Spitzner, ex-WFIL Philadelphia radio sales & programs dir., named to new post of gen. sales mgr. of Triangle Publications' R-TV Div. (program syndicator).

Deane R. White, assoc. research lab dir., du Pont Photo Products Dept., & **Joseph T. Dougherty**, du Pont technical representative, re-elected SMPTE engineering vp & financial vp, respectively.

George Skinner, ex-Katz Agency programming services dir., appointed station mgr., radio WNBC N. Y... **Richard H. Riggs**, ex-asst. mgr., WIMA-TV-AM Lima, O., named sales mgr., WJIM-TV Lansing... **Erwin Bernstein**, ex-General Precision, appointed marketing dir. for color Eidophor, TNT Electronics.

Dick Trembath, managing editor, KYW-TV Cleveland, promoted to news dir., succeeding **Pat Trese**, who joins Huntley-Brinkley staff; **Mark Landsman** succeeds Trembath.

Bernard Ruttenberg promoted from staff to asst. to public relations vp **Phil Cowan**, Metropolitan Bcstg. TV.

Obituary

J. Frank Beatty, 62, senior editor of "Broadcasting" and one of its first employes, died Oct. 14 of cancer at home in Bethesda. He joined publication in 1934 as managing editor after working for several Pa. newspapers & for "U.S. Daily" & "U.S. News" in Washington. He is survived by wife, daughter.

Study of children's viewing, 14th annual under direction of Northwestern U. Prof. Paul Witty, is published in Oct. "Elementary English," 3203 N. Downer Ave., Milwaukee. Researchers found volume of viewing holding at about 21 hours weekly, urge teachers & parents to push for better programs, help children "to choose and evaluate TV programs with discernment."

Forum on "The Negro in Television" will be presented by National Academy of TV Arts & Sciences at N. Y.'s Americana Hotel Oct. 28, David Susskind host. Panelists include author James Baldwin & AAAA Pres. John Crichton.

Senate Commerce Committee has set Nov. 5 for hearings on nominations of FTC Comr. Philip Elman for re-appointment to full term & Justice Dept. attorney John R. Reilly for appointment to commission.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington, D.C. 20006
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

GE's first 4-vidicon color film camera system has been shipped to WSM-TV Nashville, which ordered it when it was first displayed at last spring's NAB convention (Vol. 3:14 p3). Eleven more will be shipped this fall & early winter, according to Visual Communication Products Mgr. Harry E. Smith, who said GE still has capacity for winter delivery of 4-V cameras ordered now. These stations are due to receive the new cameras next: KMSP-TV Minneapolis-St. Paul; WAST Albany; WJXT Jacksonville; WGEM-TV Quincy, Ill.; WRGB Schenectady; WRAL-TV Raleigh; WESH-TV Daytona Beach; WFIL-TV Philadelphia; WNBF-TV Binghamton; WAGA-TV Atlanta; WWJ-TV Detroit.

Collins Radio expands broadcast equipment operations, continuing present lines and research & development in Cedar Rapids but forming new Broadcast Communications Div. in Dallas. A. Prose Walker is promoted to Div. dir., Thiel Sharpe to asst. dir. & sales mgr., Carl Rollert continuing as product line mgr. Spokesman said Collins is "stepping up its whole broadcast activity."

"Some sort of record" for single station is claimed by WFBM-TV Indianapolis in assigning 50 staff members last weekend to work on 2 network originations and a local special. Occasion was coverage of Butler U. "Clowes Hall for the Performing Arts." Coverage was scheduled for NBC's "Today," CBS's "Lee Phillip Show"—and station's own presentation of dedicatory program featuring Maurice Evans, et al.

Sale of KTVU San Francisco-Oakland to Cox Stations for $12.36 million has been approved by FCC. Station had been on short-term license on grounds its performance hadn't matched promise. Commission concluded that recent performance met promise.

"GE Stereo Drama," presented in FM stereo on QXR Network, will return 9-10 p.m. Oct. 31 with "The Pleasure of His Company," featuring Walter Abel, Cyril Ritchard & Cornelia Otis Skinner, as first of series.

Cobbler's kids dept.: Guess which groups are slowest & sloppiest about supplying information for their free listings in our "Television Factbook"? Public relations firms & advertising agencies, naturally.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

DETENT-TYPE UHF TUNER FROM MALLORY: Although there's little prospect of any substantial increase in all-channel set demand between now and U-Day, several new sources of uhf tuners are opening in preparation for that April 30 deadline. Set makers, now convinced there'll be no change or postponement of all-channel law (Vol. 3:40 p7), have started making plans to minimize dislocations & shortages next spring.

Old-line tuner maker P.R. Mallory & Co., which pulled out of TV tuner business in 1957, has decided time is ripe to come back in market with unique product—one which many people thought was still year or two off. Due to go into production shortly after first of next year, it's a transistorized continuous tuner with detent action, claimed to be as simple to tune as vhf tuner and capable of being motorized for remote-control use.

New Mallory tuner is claimed to be competitive in price with conventional continuous tuners despite its easy-tune convenience feature. Basically, it is continuous tuner capable of full 360° rotation. However, by removing knob, consumer can adjust detents in own home to set tuner to click into position for local channels. To adjust, set is tuned to channel and screw is tightened. Uhf channels are then tuned just like vhf, by turning knob until station clicks in, then adjusting fine tuning. Present developmental models offer up to 6 detents (those not used can be removed), but Mallory says this could be increased to 10 or 12. Incidentally, Mallory has also designed transistorized vhf switch-type tuner and tube & transistor FM tuners, will offer FM tuners early next year, vhf when demand for transistor tuners increases.

* * * *

Mallory is only one of companies entering or re-entering tuner production. TRW's Electrocom Div. (parent of one-time tuner maker Radio Condenser Co.) investigated uhf tuner market year ago, concluded that "Japanese were going to take over the business"—and stayed out. Japanese are stepping up tuner export activity, although their efforts to date are confined principally to vhf. (They supply vhf tuners for all 11-in. sets.)

More set makers, too, are increasing tuner-making activities. Admiral recently started building some of own tuners, although it also buys substantial amount. GE now manufactures all of its own uhf tuners (transistorized). RCA, which builds virtually all of its vhf tuners, hopes also to be able to supply all of its own uhf tuner requirements by next year. Zenith makes high percentage of its own vhf & uhf tuners.

Those set manufacturers who build own tuners were unanimous in telling us that they expect no serious uhf tuner bottlenecks next spring, even if it's necessary to increase all-channel set production fourfold overnight between April 30 & May 1.

Others foresaw possibilities of slowdowns and were making plans to forestall or minimize them. Motorola's Ed Taylor, for example, said his company is buying uhf tuners in advance of requirements. Another major set maker also reported it's keeping about 60-day stockpile on hand.

There's one thing almost everybody is agreed on: Percentage of all-channel sets isn't going to go up substantially before next spring. Almost everybody says it's virtually impossible to push any major quantities of all-channel sets into vhf-only markets now.

Exception, of course, is Sears Roebuck, most of whose line is now available only in all-channel, and which reportedly has won its gamble in switching early to all-channel. This early switchover will forestall tuner bottlenecks next spring, too.

Survey of leading set makers finds all of them at a loss to guess whether a vhf set next year will be a hotcake or a drug on the market. There's no indication whether any manufacturers intend to pro-

duce like mad and stockpile vhf-only sets against U-Day. As one put it: "We couldn't stockpile now if we wanted to; we can sell all the sets we can possibly make right now."

* * * *

Question has been raised, again, about applicability of all-channel law to sets sold solely within state in which they're made. There's been some speculation that these are "intrastate" rather than "interstate"—thus exempt from the law. FCC Comr. Lee has given his initial view that all sets are covered by law (including, incidentally, all imports), but Commission's general counsel is studying subject, expects to give opinion in couple weeks.

Lee tells us he's discussed matter with "6 of the 8 or 9 largest set makers" and "none of them is going to cheat." Question arose during legislative discussion of bill before passage, and Commission told Congress problem is insignificant because manufacturers reported that it's impractical to make 2 kinds of sets—vhf-only and all-channel. Commission says it has no indication anyone plans to challenge constitutionality of law, that it has had no queries about it from Congress or set makers.

BEST TV SALES MONTH IN 7 YEARS: There's only one way to say it: September was a helluva month in TV.

Not counting color sets... not counting 11-in. sets... not counting imports—preliminary estimates indicate that more TV sets were sold to dealers in Sept. 1963 than in any Sept. since 1956, more than in any month at all since Dec. 1956. This means consumers are buying—since dealers this year are playing it very close to the chest, selling almost directly from distributor warehouses.

Sept. distributor-to-dealer sales are estimated to have totaled about 794,100 sets, 8.6% above the very good 731,100 registered in Sept. 1962. In EIA statistics, Sept. traditionally is best distributor-to-dealer month of year. (EIA's statistical month of Sept., on which these estimates are based, has 5 weeks, as does the final month of each quarter.)

Thus 9-month TV sales to dealers totaled about 4,749,000 sets, 7.4% above the 4,423,117 of same 1962 period. This adds more substance to our prediction a month ago that record TV sales are likely this year, when you include color, 11-in. & imports (Vol. 3:38 p11).

Sept. TV results, incidentally, appear to confirm GE's claim that 11-in. sales are principally plus business. Since the sales figures don't include tinyvision, it's safe to conclude that wee TV didn't cut into sales of standard sizes very much in Sept.

Total black-&-white TV inventories at factory & distributor levels were down 10% at end of Sept., as compared with year earlier. If good business keeps up (actually, some manufacturers report signs of leveling-off in Oct.), reserve stocks might be a little too low for comfort.

Radio business continues to lag 1962, domestic sales to dealers for Sept. totaling about 1,121,000 sets, or 10.7% lower than the 1,255,346 of Sept. 1962. For year's first 9 months, radio sales were 6,604,000, drop of 15.6% from comparable 1962 figure of 7,825,890. Radio inventories were down about 9% at end of Sept. from year-before figure.

Phono sales continued excellent in Aug., according to latest available unofficial figures. Very few in industry expected Aug. sales to exceed Aug. 1962's record-breaking total of 416,788 units sold to dealers (which was 30% above Aug. 1961 figure)—and they didn't—but at 407,000 they came within 2.5%. Phono distributor sales for the 8 months were unofficially placed at 2,466,000 or 15.3% above similar 1962 period. Phono factory sales for Aug. totaled some 426,500, down 3.4% from Aug. 1962's 441,455 and 8-month factory sales were estimated at 2,657,800, running 14.5% ahead of 1962.

ELECTRONIC PARTS DISTRIBUTORS IN SQUEEZE? Industry's 1,787 electronic parts distributors topped $1 billion in sales last year for first time (Vol. 3:22 p9) and kept right on increasing volume through 1963's first half, according to our latest analysis.

Profit story, however, is less than cheerful. Signs of major profit squeeze, indicated in our study earlier this year (Vol. 3:19 p8), have now developed into pronounced trend, using as criteria

performance of 5 largest distributors in industry (who also do considerable retail business): Allied Radio, Arrow Electronics, Harvey Radio, Lafayette Radio Electronics, Terminal-Hudson Electronics.

Only 12% of 1,787 distributors do $1 million annual volume, and they account for 55% of total. Cutting it even finer, only 3% do more than $2.5 million, and they represent 32% of total. Each of our 5 bellwether companies is a "multi-millionaire."

Combined first-half (or fiscal year) sales of these 5 firms jumped solid $16 million to $105.9 million from $89.9 million a year earlier. Their amalgamated profits, however, dipped $620,833 to $1.6 million from $2.2 million.

Sales gains were posted by 3 of the 5. Harvey and Terminal-Hudson were down, but only somewhat—former by little more than $125,000, latter by little less than $150,000. Conversely, Allied boosted sales to record $62.1 million from $52 million, Lafayette jumped to $31 million from $24.9 million. Arrow inched ahead by slightly more than $6,000.

Profits were a different and sadder story. Only Lafayette showed improvement—to $761,264 from $676,372. Other 4 firms were down—sharply: Allied—to $591,000 from $1.2 million; Arrow—by more than half to $24,500 from $55,000; Harvey—to $129,396 from $155,507; Terminal-Hudson—$82,473 from $135,587.

Allied Radio explained its profit drop as resulting from "unprecedented amount of merchandise returned by our customers because it was either defective or didn't otherwise measure up to their expectations" (Vol. 3:36 p11). For others, profit squeeze reflects numerous factors—including increasing competition, imports. Components represent top volume producer for parts distributors—42.5% of 1962's total $1.040 billion. Components also represent area hard hit by imports.

Principal headache for distributors, however, is "ridiculous pricing practices on replacement parts," in opinion of H.A. (Bill) Graham, gen. mgr. of Warren Radio, Erie, Pa. Writing in Sept. "NEDA Journal," he emphasized: "For years the list prices on parts have been held at very high levels. Every segment of the industry—manufacturers, distributors, servicemen—have resisted fiercely any attempt to bring any degree of sanity into this picture. Most of the serious problems of the industry, not just of distributors alone, can be traced back to this paradox of pricing. Consider just 3: the 'drug store' tube checker, the explosive growth of the electronic retailer selling at wholesale prices, and the general decline of replacement parts volume." Graham argues that the replacement parts distributor "is not in mortal danger of his life. He is not even seriously ill. The long-term prognosis is good." However, he does need "an intelligent and reasonable re-alignment of the discount structure on parts. If this remedy is not forthcoming, the patient will suffer longer than he would have to, but the parts distributor still will enjoy relatively good health for a long time."

Here are 1963-vs.-1962 first-half (or fiscal year) performances of 5 major electronic parts distributors:

	Sales		Earnings	
	1963	1962	1963	1962
Allied Radio (year to July 31)	$62,143,000	$51,963,000	$ 591,000	$1,187,000
Arrow Electronics	2,519,700	2,513,400	24,500	55,000
Harvey Radio	3,343,485	3,468,672	129,396	155,507
Lafayette Radio Electronics (year to June 30)	30,994,518	24,936,144	761,264	676,372
Terminal-Hudson Electronics	6,915,983	7,064,323	82,473	135,587
TOTALS	**$105,916,686**	**$89,945,539**	**$ $1,588,633**	**$2,209,466**

TV-RADIO PRODUCTION: EIA statistics for week ended Oct. 11 (41st week of 1963) excluding 11-in. and smaller:

	Oct. 5-11	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV	154,472	163,090	145,383	5,501,154	5,159,897
Total radio	502,809	454,086	475,759	13,866,335	14,786,262
Auto radio	233,799	204,129	187,932	5,948,828	5,341,936

TUBE IMPLOSION SUIT: Nebulous and nettlesome area of implied warranty got one of its infrequent flashes of limelight last week via $7,500 suit filed against Muntz TV in Chicago Superior Court by dealer Cain-Sloan Co., Nashville, Tenn. department store subsidiary of Allied Stores.

Case is outgrowth of 1961 TV set implosion. Woman purchaser of set recently won breach-of-warranty personal injury suit and $5,250 judgment against Cain-Sloan, and the latter's insurance company, U.S. Fidelity & Guaranty, now seeks to recoup judgment plus costs from Muntz TV.

TV was private-label Ambassador-brand model made by Muntz for Allied Stores. Tube was from National Video. "We tried to get Muntz TV and National Video to defend but they refused," we were told by William Brooks, attorney in claims department of USFG's Nashville office who investigated original claim. He noted that plaintiff suffered no direct personal injury from set, explained: "Nothing from the set touched her. The implosion frightened her and she fell off a hassock and hurt her back." Case was filed against dealer Cain-Sloan under Tennessee's Sales Act which makes retailer responsible for the "merchantability" of the product he sells—i.e., that it is safe, efficient and sold without risk to buyer. Jury found for plaintiff on grounds that set was imperfect in some fashion.

Nashville trial established that set had its original picture tube, Brooks told us. "Some service work had been done on the set," he added, "but not on the tube. Since Muntz and National Video wouldn't defend, we, as insurers for Cain-Sloan, had to defend. It's now proper procedure to proceed against the manufacturer to recoup." Suit against Muntz is being handled through USFG's Chicago office.

"We're covered by product liability insurance," Muntz TV Treas. Daniel J. Domin told us, "and we've turned the entire matter over to our insurance company. When the original case was filed, our insurance company advised us that we were not involved because the suit wasn't filed against us. We're fully protected, and I believe the insurance company would take the position that if the set had been serviced we're off the hook. Servicing should take the manufacturer off the hook, because once the back of the set is taken off, you can never know what happened to it.

"This whole area of implied warranty is vague and complicated," he emphasized, "and that's why we all pay such high rates for protection. This is now a matter for our insurance people."

GE will maintain policy of decentralization, because "the more decentralized we are, the more growth there will be," emphasized Pres.-elect Fred J. Borch (Vol. 3:41 p10) in Oct. 12 "N.Y. Times" interview. Overcapacity is prime problem facing U.S. electrical industry, he said, but believes that "because of this nation's economic growth, this is going to be a diminishing problem." He sees as GE's major challenges in immediate years ahead: (1) Meeting world competition, (2) Intensifying R&D activities, (3) Increasing efficiency, (4) Servicing customers, (5) Maintaining balanced corporate growth. Borch said he "would like to see" sales distribution continue at present ratio of 75% commercial, 25% defense.

Shortage of engineers and scientists for consumer product development may indicate that U.S. industry is not using manpower to best advantage, in opinion of GT&E Chmn. Donald C. Power. Addressing research and development management program at Battelle Memorial Institute, Columbus, O., he noted that of more than $17.5 billion that will be spent on R&D this year, 66% will come from govt., 31% from private industry, 3% from non-profit organizations, emphasized that govt. & industrial R&D spending has increased since World War II "while industry's percentage has dropped." He said industry must strike reasonable balance in its over-all R&D activities, summed up: "If the total amount of R&D money provided by industry continues to grow at the rate of the past 10 years, let alone at the faster rate which I sincerely hope it will, the percentage of new products could well reach as high as 20% or even greater." This related to conclusion of National Industrial Conference Board that industries with a high level of research spending relative to sales derive "an estimated 10% of their sales today from products that did not exist 4 years ago."

Olympic Cabinet Corp. is new wholly owned subsidiary of Olympic, established, according to Pres. Morris Sobin, "to insure continuity of Olympic's present source of cabinets." Olympic Cabinet will lease premises & fixed equipment of Nunn Better Cabinet Corp., Marietta, Ga., anticipates no changes in operation or personnel. Sobin said move won't affect arrangements with Olympic's other cabinet suppliers. Officers of Olympic Cabinet are Sobin, pres.; Sidney Rhodes, vp; Lewis Haber, treas.; Abraham Cooper, secy.; Harvey Schuster, asst. secy.

Increase in prices of black-&-white picture tube yokes of approximately 8%, effective Nov. 4, was announced in letter to all major customers by Electronics Div. of Indiana General Corp., Keasbey, N.J. Sales mgr. Kenneth S. Talbot said company had been absorbing labor & material cost increases for 5 years, and the hikes reflect these additional costs. He emphasized that increases apply only to b&w yokes, not to other ferrite products. He added that Indiana General is now producing color yokes & color flybacks.

Emerson has signed $4 million ad package with "Look" calling for insertions in "practically every issue" of magazine for next 3 years. Pres. Benjamin Abrams said "Look" schedule is largest magazine campaign ever conducted by Emerson, will represent company's "basic ad effort" for next 3 years. Campaign will feature complete Emerson line, includes both color and b&w inserts. Program begins with Dec. 3 issue. Ad agency: Robert Whitehill.

Things-are-tough-all-over dept.: "Prices of radio & TV sets will be reduced by Italian manufacturers," reports U.S. Commerce Dept.'s "International Commerce" magazine for Oct. 14. "This reduction is an attempt to curb the spread between list prices and those charged by discount stores."

Home entertainment showroom in N.Y. will be built by Sylvania on street level of GT&E Bldg., 3rd Ave. & 45th St. Slated for completion in mid-Nov., it will occupy 1,700 sq. ft.

Westinghouse has opened Japanese showroom on Tokyo's famous Ginza St., is displaying color TVs among other products.

Trade Personals

Charles A. Barnes promoted to P. R. Mallory operations vp; **Kenneth W. Shearer,** controller, also named vp.

Justin J. McCarthy, ex-Sylvania, joins EICO Electronic Instruments as sales mgr., a new post... **T. K. Decker**, ex-Philco, named International Resistance purchasing dir., a new post.

Alfred Packer, onetime Philco Home Laundry Div. mgr., recently Philco Distributors-N.Y. key accounts mgr., joins Zenith Radio of N.Y. as color sales supervisor... **Anthony Maiorella** appointed GE Electric Supply Co. ad & sales promotion mgr., succeeding **James E. Clarke**, who joins International GE.

L. M. Sandwick, former EIA consumer electronics staff dir., a widower, married to Mrs. Reginald Hill Marlow Sept. 28 in Rockville, Md.

Joseph Stefan appointed magnetic tape and custom products vp, RCA Victor Record Div., a new post.

Lloyd L. Kelly, pres. of Link Div. of GPE's subsidiary Simulation & Control Group, also named pres. of Group, succeeding **W. W. Wood Jr.**, resigned to become pres. of Applied Dynamics.

James J. Ling, Ling-Temco-Vought chief exec. officer, also elected chmn., succeeding **Robert McCulloch**, who continues as exec. committee chmn.

Harold M. Winton, Vernitron vp, appointed gen. mgr. of newly-acquired United Scientific Labs, which will be operated as a division.

J. J. Benavie, ex-counsel to International Div., appointed to new post of staff vp, patent licensing, RCA, with direct responsibility for all domestic patent licensing.

Obituaries

James O. Burke, 57, Standard Kollsman Industries pres., died Oct. 14 in his Melrose Park, Ill. office of apparent heart attack. With former partner Glen Swanson and $1,000 capital, he established predecessor Standard Coil Co. in 1935 in Chicago. Merger in 1960 with Kollsman Instruments resulted in present organization. He is survived by widow, sons James (asst. to pres. of Standard Kollsman) & Thomas, 3 daughters.

Frank B. Walker, 73, onetime RCA vp & gen. mgr. of RCA Victor Record Div. and from 1945 until his retirement in 1948 a MGM vp & Record Div. gen. mgr., died Oct. 15 of heart attack at Little Neck, Queens, N. Y. home. He organized MGM's Record Div. in 1945, continued as MGM consultant after retirement. A record industry pioneer, he also served as Columbia Phonograph Records vp and Loew's Inc. vp during long career. He helped organize Record Industry Assn. of America, was onetime pres., treas. and honorary chmn. He is survived by widow, son, 2 daughters.

Edwin R. Palmer, 68, onetime Bendix vp & treas., died Oct. 13 at his Miami Beach, Fla. home. Before retirement he was controller of General Motors' Chevrolet Div.

Closed-circuit TV camera with integrated 8-in. viewfinder, power supply & controls was announced last week by Du Mont Div. of Fairchild Camera at $2,595.

DISTRIBUTOR NOTES: Roberts Electronics appoints 2 additional distributors: **Pierce-Phelps**, Philadelphia, for eastern Pennsylvania & southern New Jersey, and **Radio Service Lab**, Manchester, N. H. for parts of New England. Pierce-Phelps succeeds **Alco Photo Supply** which continues as Roberts distributor for western Pennsylvania & New York... **Olympic Radio & TV** appoints **Steve Jordon Inc.** (Steve Jordon pres.), 1117 N. Santa Fe, Wichita, Kan. for central & western Kansas... **Andrea Radio** names **Koessler Sales Co.** of L. A. distributor for California, Arizona, Nevada and Hawaii... **Philco Distributing-Cleveland** appoints **John W. Miller** gen. mgr., succeeding **Inwood Smith**, resigned, and succeeded by **Sidney Arlen** as gen. sales mgr... **Sylvania** names **S. Richard Johnson** Chicago district mgr., a new post... **Andrea Radio** appoints **Hyde Electronics** (Dick Hyde Sr., pres.), 888 S. Lipan St., Denver, manufacturer's rep for Colorado, New Mexico, Utah, Montana, Wyoming & eastern Idaho. Hyde also maintains branches in Albuquerque, N. M. and Salt Lake City... **Apollo Distributing**, Newark, N. J., Zenith distributor in northern New Jersey & N. Y.'s Richmond & Rockland counties, names **Richard Slobodien** pres., succeeding **David Slobodien** who becomes chmn., a new post... **Electronic Wholesalers**, Washington D. C., names 4 branch mgrs. vps: **Jack C. Wise**, Washington, D. C., **Philip Konter**, Miami, **Louis J. Crusco**, Baltimore, **Joe Austin**, Huntsville, Ala.

International Electrohome's TV & hi-fi sales in U.S. tripled in past 12 months to $3.5 million, reported Howard Main, pres. of Dominion Electrohome's U.S. subsidiary (Vol. 3:30 p11). He said Canadian firm now is producing 5 color TV models for U.S. market, noted that there are now 435 dealers handling company's products in this country.

First Muntz color set, now being shipped, is TV-radio-stereo combo at about $700, now at dealers. Two more—lowboy and another combo (Vol. 3:40 p9) are due soon.

New TV outlets: Walgreen's drug chain is displaying GE 11-in. set at $99.95 in about 40 of its stores in Chicago area.

Hoffman is considering color TV set production, but no decision has been made, according to Vp Ray B. Cox.

International Resistance received Oct. 16 "Financial World" accolade as stock issue that "seems attractive as a 'businessman's risk.'" Analysis emphasized: "As a result of a carefully balanced program of internal research plus outside acquisitions, IRC has doubled its sales in the last 5 years and gained increased investment stature as a major supplier to the electronics industry of components, circuits, transducers and electronic systems and subsystems. Earnings during this period also have trended upward. Despite a high growth rate, the company has been successful in maintaining a simple debt-free capital structure, with no senior securities ahead of the 1.5 million common shares." Magazine also noted that IRC "is now undergoing a transition from a modest-sized company to one of substantially larger proportions."

Meredith Publishing "has no reason to believe" that revenues and earnings in 1964 fiscal year ending next June 30 will trail fiscal-1963's $2.1 million profit on record $71.2 million sales. Exec. Vp Payson Hall reported all divisions operating at a profit.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Allied Artists	1963—year to June 29	$ 18,990,968	—	$ (2,747,000)[1]	—	931,608
	1962—year to June 29	14,434,872	—	(1,580,000)	—	931,608
CTS Corp.	1963—9 mo. to Sept. 30	22,882,808	$ 3,453,742	1,762,274[2]	$1.19	1,479,508
	1962—9 mo. to Sept. 30	20,652,463	3,191,652	1,595,070	1.08	1,482,003
	1963—qtr. to Sept. 30	8,295,297	1,356,728	671,467	.45	1,479,508
	1962—qtr. to Sept. 30	6,979,142	1,106,461	560,250	.38	1,482,003
Capehart	1963—6 mo. to Sept. 30	2,447,000	—	(6,000)	—	—
	1962—6 mo. to Sept. 30	1,583,000	—	(100,400)	—	—
	1963—qtr. to Sept. 30	1,265,000	—	2,400	—	—
	1962—qtr. to Sept. 30	888,000	—	(33,600)	—	—
Collins Radio	1963—year to Aug. 2	250,092,826	7,429,950	3,682,132	1.65	2,230,080
	1962—year to Aug. 2	207,775,637	6,277,373	3,477,000	1.56	2,230,063
Columbia Pictures	1963—year to June 29	—	6,299,000	2,597,000	1.47	1,629,924
	1962—year to June 30	—	5,058,000	2,242,000[3]	1.25	1,629,924
Electro-Voice	1963—6 mo. to Aug. 31	5,542,188	101,943	56,816	.11	497,332
	1962—6 mo. to Aug. 31	5,189,047	(10,476)	(4,232)[4]	—	497,332
Fairchild Camera & Instrument	1963—9 mo. to Sept. 30	85,384,000	—	1,881,000[5]	.74	2,535,583
	1962—9 mo. to Sept. 30	73,628,000	—	4,236,000[6]	1.67	2,535,583
	1963—qtr. to Sept. 30	28,599,000	—	1,230,000[7]	.48	2,535,583
	1962—qtr. to Sept. 30	24,142,000	—	1,392,000[8]	.55	2,535,583
Technicolor	1963—9 mo. to Sept. 30	57,495,448	—	2,444,911	.91	2,655,921
	1962—9 mo. to Sept. 30	42,689,527	—	433,850[9]	.16	2,633,218
Texas Instruments	1963—9 mo. to Sept. 30	196,993,000	16,844,000	8,179,000	2.04	3,952,711
	1962—9 mo. to Sept. 30	175,461,000	11,238,000	5,832,000	1.45	3,948,161
	1963—qtr. to Sept. 30	68,743,000[10]	5,735,000	2,923,000	.73	3,952,711
	1962—qtr. to Sept. 30	55,725,000	2,016,000	1,048,000	.26	3,948,161

Notes: [1]After $1,572,000 in write-offs and year-end adjustments but before $375,749 provision for additional 1949-1957 taxes claimed by Internal Revenue Service and contested by company. [2]After $53,640 deduction to adjust for devaluation of Canadian dollar. [3]Before $415,000 profit from sale of studios properties. [4]After $6,244 tax credit. [5]After $534,000 tax benefit from losses of Allen B. Du Mont Labs prior to merger. [6]After $928,000 tax benefit. [7]After $178,000 tax benefit. [8]After $478,000 tax benefit. [9]After $604,000 inventory write-downs & reserves against doubtful accounts. [10]Record.

Waltham Precision Instrument's large-screen TV projection system is just beginning to get off the ground, Pres. Louis R. Ripley reported. He termed its sales potential excellent. Waltham's earnings in 1963's first 8 months slipped to $531,938 from $748,000 in Jan.-Aug. 1962, but outlook is for total 1963 earnings to match 1962's $886,508. Sales are forecast at $9 million, up from 1962's $7.6 million. Ripley noted that Waltham expects to acquire an electronics company soon in a cash & stock transaction.

Eitel-McCullough expects sales this year to slip from 1962's $29.5 million, but earnings "will exceed" year-ago's $757,392, Chmn. Jack A. McCullough reported, adding: "Profit margins have turned up and we expect 1964 to show further earnings improvement. Next year we expect sales to rise also and help earnings along." Eitel-McCullough is "quite liquid," he said, but has no plans to issue stock dividends. "We're growing and we need the cash."

Clarostat Pres. Victor Mucher and brother Vp George J. Mucher have sold their total Clarostat stock for "personal reasons" to investment group headed by N.Y. financier Lewis M. Schott. Muchers held 9.5% or 43,447 of company's 452,945 outstanding shares. Victor Mucher sold 22,411, George 21,036. Clarostat closed at $5 Sept. 24, the day of transfer. Mucher brothers will retain their posts. Pres. Victor said "I believe what I did to be in the best interests of the company," noted that Dover, N.H. resistor and controls manufacturer anticipates reduced sales & earnings this year. First-half report showed loss of $23,810 on $4.3 million sales vs. year-earlier profit of $177,763 on $5.2 million.

Philips Lamp expects 1963 sales to jump "at least 11%" above 1962's $1.536 billion, push profits 5-6% ahead of year-ago's $92.4 million. Vp W.A. de Jonge forecast 8-9% sales increase next year, noted that 1964 earnings would be affected by approximate 8% rise in wages. Some 35% of company's stock is held in U.S.

NAB LIBRARY

WEEKLY

Television Digest

with

Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

OCTOBER 28, 1963 NEW SERIES VOL. 3, No. 43

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

OMAHA REPORT—MORE 'DIALOGUE' WANTED by FCC Chmn. Henry. He seeks more access of public to station program plans, financial condition, etc. No more local-live hearings needed at the moment, he says, suggesting examination of criteria used in picking network & syndicated programs, plus study of AM-FM (p. 1).

PRO FOOTBALL CROWDS RUNNETH OVER, and teams seek to pick up fans through theater TV. Comr. Rozelle hastens to say system would only 'supplement' free TV (p. 2).

THE UHF ETV EXPANSION PROGRAM, as proposed in FCC rule-making, provides total of 604 uhf ETV reservations, added to existing 99 vhf. Airborne uhf request also subject to rule-making which asks about feasibility of 2500-mc band (p. 3).

NO CATV COMPROMISE, FCC STAFF URGES, recommending Commission start rule-making to assume regulatory jurisdiction, without new legislation. Staff believes CATV legislative proposal too restrictive for long run, says industry has gone as far as it can without more microwave (p. 3).

Consumer Electronics

'FORM FREEDOM' is year's most important trend in stereo; new shapes & concepts expanding market, as mass-market phono producers set sights on 'component packages;' Kalb cites 'quality revolution,' predicts price stability, component boom (p. 7).

IMPORTED TV PRICES may drop as result of U.S.-made tinyvision, some manufacturers believe, fearing dump next year; importers say American small-screen promotion is helping their sales—not hurting; more Japanese sets seen with U. S. brand label (p. 8).

HERTZ READIES NEW TV RENTAL PROGRAM: Car rental giant plans bigger bite of TV rental business, is testing program in Tampa, plans to introduce new technique in N. Y. in 3-6 months (p. 8).

MORE 9-MONTH REPORTS: Magnavox has 5% profit gain despite 13% sales decline (p. 10); Westinghouse earnings slip to $39.6 million from $40.1 million despite sales rise to $1.556 billion (p. 11); Muntz TV posts record $11.8 million sales in fiscal year (p. 11); Motorola continues rebound from first-quarter profit drop with record July-Sept. sales & earnings (p. 11).

OMAHA REPORT—MORE 'DIALOGUE' WANTED: FCC Chmn. Henry's report on Omaha "local live" hearing, released last week, shouldn't surprise anyone—because it embodies many of the things he's been talking about & voting for ever since he joined Commission.

Henry believes Omaha stations "make a genuine, good faith effort to determine & meet their community's needs & interests in the local sphere." Trouble is, he says, that public doesn't participate enough in showing stations what is needed. So he comes up with number of recommendations—some not new:

(1) Station program plans, as submitted to FCC in renewal applications, etc., should be available at station for public inspection. This is proposed in pending rule-making (Doc. 14864).

(2) Financial status of stations should be known to public, and such data, as filed with Commission, should be open to public at station (as proposed in Doc. 14864). In addition, FCC's annual financial statistics on TV, including combined performance of stations in market, should be available (not yet proposed by FCC, but should be, says Henry).

(3) Program forms should have "regularized framework" for reporting on irregularly scheduled local "specials"—because stations rely heavily on these to meet local needs.

(4) "Glaring deficiency" in program form is inadequate provision for showing when programs are carried. And Henry indicates he believes there isn't enough locally-produced material in prime time.

(5) Stations should be required to list most important local issues in their program forms, thus giving FCC "a highly significant index of their performance as local institutions."

(6) Since station staff is an index to outlet's ability to program, program form should give breakdown of program dept. employes, by function, plus list of staff members available to help local groups create programs.

(7) Definition of "local live," as used by Henry in inquiry, is any program with 50% or more of time devoted to locally produced material. He suggests that program form permit stations to report local-live segments separately even if mixed with other material.

(8) Stations should announce, once every 2 weeks between 7 & 10 p. m., that they have duty to seek program needs, that applications may be inspected at station; that suggestions are welcomed. Henry provides suggested text of such announcement.

Henry then summarizes whole inquiry, says it "served a valid and important purpose." First, it gives FCC a "grass roots" insight. Second, FCC "quite properly" seeks industry's views, because "we have at least as heavy an obligation to keep in touch with the thinking of the public for whose sake the FCC was created." Third, such hearings give broadcasters "opportunity to correct, supplement & rebut statements that others may make about their efforts... It is difficult to believe that broadcasters would prefer that we obtain information about them secretly."

Henry emphasizes several times his belief that stations don't carry enough of regular, prime-time, local programs other than news, weather, market reports & sports.

Aspects of broadcasting other than local live also need attention, Henry says. For example, Commission should learn more about criteria stations use in choosing network & syndicated programs—and what is happening in AM & FM. So, he says, there's more pressing need to study such areas rather than to conduct more local-live hearings. "In sum," he concludes, "the Commission—no less than its broadcast licensees—can benefit from a genuine, continuing dialogue with the public it was created to serve."

Henry made report easy to study, by issuing it in 3 forms: 3-page press release, 10-page summary, 66-page full report. Copies are freely available from Commission, or we'll get them for you.

Report was issued late in week, so immediate reaction wasn't available from those most likely to react: Omaha stations, NAB, Neb. senators & congressmen—all of whom have blasted Commission vigorously before, during & after hearing.

PRO FOOTBALL CROWDS RUNNETH OVER: So successful has pro football become—in no small part due to free TV—that team owners are seeking to sop up overflow fans with theater TV.

National Football League's current 2-year $9.3 million contract with CBS ends this season, and NFL aims to get permission to use theater TV in next contract, which will be considered in Jan. Both CBS & NBC are expected to bid (ABC has AFL). Plans call for use of theater TV only when team plays at home. Under league rules, there's 75-mile blackout when team plays in its own arena. Many, if not most, NFL teams have been playing to sold-out stadiums this season.

NFL Comr. Pete Rozelle emphasized that theater TV would supplement league's lucrative deal with free TV. Network arrangement has been profitable not only financially, but has been credited with building sport to high level of popularity at gate. Rozelle said he didn't think free TV would ever be replaced, not in foreseeable future at least. He pointed to public relations impact as one reason, not to mention govt. relations. League has been given certain exemptions from anti-trust laws.

"We want to retain the right to experiment," league spokesman explained. "There would be an overall NFL policy regarding pay TV and it would be up to each club to implement as it saw fit. There is no indication now which clubs are especially interested in theater TV at present. We have an attitude of 'watchful waiting' as far as pay TV is concerned," he said.

Asked about possible ties with pay-TV firms, he said: "We have no attachment to any firm, although we've been approached by many." It was presumed that new Subscription TV Inc. on West Coast had been in touch with Los Angeles Rams.

First experiment with theater TV may come Dec. 29. NFL championship game, under separate contract to NBC for $926,000, contains permissive clause. It was added this year after NFL tried last year to set up large-screen TV at N. Y.'s Madison Sq. Garden when it was obvious Green Bay Packers-New York Giants were to play to overflow crowd at Yankee Stadium. But contract didn't permit it.

Unrequited appetites of football fans—no ticket, no home TV—have driven many to distant motels that can receive game from another city. This also has led to "bootleg TV" where motels in not-so-distant cities have erected large antennas to pick up games. Under swelling popularity of sport, theater TV could give NFL income lost to "motel TV" without detracting from present turn-away crowds, NFL reasons.

In another football development, broadcaster George B. Storer is negotiating to buy Philadelphia Eagles for $4,550,000. Team spokesman said "he's one of the interested parties." Frank McNamee, Eagles pres., & Mike O'Neill, treas., have been empowered to negotiate sale. But spokesman said meeting has yet to be called to review developments. Among Storer properties is radio WIBG there.

THE UHF ETV EXPANSION PROGRAM: New commercial uhf & airborne ETV uhf allocation proposals were issued by FCC last week, almost precisely as recommended by staff and reported exclusively in these pages (Vol. 3:41 p2).

Proposal adds 411 uhf assignments, mostly ETV, to bring total uhf assignments from 1,568 to 1,979; 604 are reserved for ETV (in addition to existing 99 vhf). Commission added one procedural provision to those we reported earlier: If no opposition to an assignment is filed, and there's demand for it, it may be finalized before over-all proceeding is concluded. Comments are due Jan. 3.

Airborne uhf ETV proposal followed staff recommendations. Midwest group had sought regular operation on Ch. 72, 74, 76, 78, 80 & 82. Commission started rule-making, asked 14 broad-scale questions, including feasibility of 2500-mc band, with comments due Jan. 3. (Full texts of both proposals are expected to be released this week; we'll be pleased to send you copies.)

NO CATV COMPROMISE, FCC STAFF URGES: Subject of CATV regulation is due for FCC discussion this week—and top Commission staff members recommend that CATV industry's proposed legislation be rejected, that FCC start rule-making proceedings to assume regulation over industry—without further ado. (For story on "TAME", see p. 4.)

We've learned that Commission's top staff members have agreed on approach: General Counsel Max Paglin, Broadcast Bureau Chief James Sheridan, Common Carrier Bureau Chief John Nordberg, Safety & Special Bureau Chief James Barr. With that kind of lineup, odds are Commission will be persuaded.

We're informed that staff urges: (1) Reject industry proposals. (2) Take further regulatory action under FCC microwave-licensing powers. (3) Start rule-making action to assert regulatory jurisdiction over all CATV, regardless of whether they're served by microwave.

We understand staff proposes that CATV's be required to carry local stations on their systems and give "reasonable protection" against duplication of local stations' signals. It's proposed that stations be protected within their Grade A contours, as a general rule—with more protection, if needed, to be provided on a case-to-case basis.

For CATV's using microwave, it's suggested that duplication be prohibited 12 days before & after programs are carried by local station. For CATV's not using microwave, only simultaneous duplication would be verboten. But these provisions could be varied on case-to-case basis, too. However, no CATV would be required to delete a program if it leaves its subscribers with only one network program. Furthermore, FCC won't step into picture if CATVs & local stations work out amicable agreements. In addition, rules would provide that CATVs carry out political broadcasting equal-time laws.

Staff concludes that foregoing route should be taken because: (1) FCC can't get legislation over CATV opposition. (2) Commission won Carter Mountain microwave victory in courts. (3) Industry proposal is reasonable for short term—but FCC would be tieing its hands for long pull, because it believes industry has gone about as far as it can without more microwave facilities.

TV WINS A ROUND VS. ASCAP: A substantial break for TV stations, first in long time in fight with ASCAP, came last week when U. S. Supreme Court sent case back to N. Y. Court of Appeals.

High court ordered Appeals Court to hear All-Industry TV Station Music License Committee's argument on its merits. Earlier, Judge Ryan, of N. Y. District Court, had ruled that he didn't have power, under ASCAP consent decree, to order ASCAP to give Committee what it sought—music "clearance at the source." Committee then went to Appeals Court which said it didn't have jurisdiction in case. Last week, Supreme Court disagreed, thus giving industry best opportunity so far to present its case.

Hamilton Shea, WSVA-TV Harrisonburg, Va., chmn. of All-Industry Committee, said: "We feel that our request for a music license which would result in competitive clearance at the source is fair to all concerned and is available to us under the ASCAP Consent Decree. We look forward confidently to the chance to prove this in the Circuit Court of Appeals."

NBC came back briskly in response to FCC Broadcast Bureau's recommendation that WRCV-TV Philadelphia be taken from network (Vol. 3:39 p5). Bureau had asserted that NBC employed "naked use of network power" and "bald coercion" on Westinghouse, regarding Pittsburgh affiliation, forcing latter to swap its Philadelphia station for NBC's Cleveland outlets. Last week, NBC listed host of counter-arguments, including: (1) FCC had all facts of Pittsburgh case before it when it approved swap in 1955. (2) Bureau must assume that both Westinghouse & NBC lied in 1955. (3) Westinghouse had superior bargaining power in Pittsburgh, owning the only vhf in town at the time. Further, said NBC: "Under the Bureau's view, Westinghouse's contributions can overcome the worst kind of anti-trust conduct, whereas in the case of NBC, contributions unparalleled in our nation's history must be looked at askance because they 'are not always without self-serving objectives.'"

FCC's primer on "fairness doctrine" is expected about end of year. There's some movement at Commission, meanwhile, to expand & train staff for handling increased political broadcasting problems next year. Congressional campaign committees are hearing from grass roots, getting concerned. Senate Democratic group held meeting & asked for clarification from Nicholas Zapple, Commerce Committee communications specialist. Copies of doctrine were supplied by FCC. Many letters are also being received on Hill, as Dr. Carl McIntyre & "Life Line" supporters are being aroused.

Canada's CATV association—National Community Antenna TV Assn.—tiny compared with U. S. NCTA, is turning administration over to professional management firm. Plan is to reduce dues from 4¢ to 2 3/4¢ per subscriber per month, because of savings expected. Annual budget is $19,950.

Big activity at FCC this week—possibly—with following subjects up for discussion: network program practices, program forms, CATV, vhf drop-ins. Chmn. Henry is in from Geneva space allocation conferences, may head back there evening of Oct. 31.

RATINGS POTPOURRI: RAB & NAB seem to be almost there—in agreement on radio methodology study—after week's confabs. Differences are reportedly minor, & handshake is again considered imminent. Among other rating activities:

(1) Nielsen has replaced about 1/5 of national TV sample—about 200 homes—responding to criticism of its permanent sample, voiced at Harris hearings. Replacement of rest of sample, plus other changes—such as increasing sample and including Mountain Zone homes—await reaction from Nielsen clients.

(2) Reports of Nielsen's possible abandonment of national radio ratings are "premature," according to Nielsen. Firm has already dropped local radio.

(3) NAB Research Committee is sending final version of standards & criteria to Rating Council members. Top Census expert Morris Hansen likes them, as prepared by NAB Research Vp Melvin Goldberg.

(4) Local TV methodology study will examine problems of small samples, non-cooperators & reliability of various diary techniques.

"TAME" group of manufacturers, out to restrain CATV (Vol. 3:41 p1), met in Chicago Oct. 24-25, reported progress & enthusiasm. Acting chmn. is Morton Leslie, JFD Electronics sales mgr., who reported that all original members were represented, except that components-maker Cornell Dubilier had to withdraw because of conflicts between its divisions. TAME will incorporate in N. Y., select exec. secy. soon, has voted "substantial 5-figure" fund for fight. Promotional PR kit, being sent to distributors in "critical areas," was prepared by Nelson Stern, Cleveland ad agency. Leslie reports that Ga. Assn. of Bcstrs. has invited him to speak at Oct. 30 Atlanta meeting, that KVTV & KTIV Sioux City, Ia., are eager to join in fight against proposed CATV system for Norfolk, Neb. "Norfolk," Leslie said, "is typical of the communities we're concerned about. It has received TV for years. We're not going to fight CATV where it brings TV to people who can't get TV."

Motion picture theater can become community "communications center" of the future, Theatre Network TV Pres. Nathan L. Halpern told last week's convention of Allied States Assn. of Motion Picture Exhibitors in N. Y. He urged theater men to create merger of communications & entertainment, with big screen TV bringing to movie theaters special entertainment events, sports, business & industry meetings, political meetings and scientific & educational sessions.

Another Broadway production will be video taped for TV, only this time it'll be for RKO General's pay-TV experiment in Hartford. Show is the well-received "Spoon River" which opened on Broadway Sept. 29. Viewers will be charged about $2. Two weeks ago, Group W performed similar feat on free TV with "The Advocate," which closed almost immediately but received praise from TV critics (Vol. 3:42 p2).

"Horse manure"—and other words to similar fetid effect—is ABC spokesman's description of rumor that McGraw-Hill might buy AB-PT.

Progress report on pay-TV in Hartford is sought by FCC in long series of questions (not made public) directed at experimenter RKO General.

CONGRESSIONAL AID & COMFORT: Rep. Rogers (D-Tex.) took his battle against recent FCC moves (Vol. 3:42 p2) to home soil last week, addressed Texas Assn. of Bcstrs. at Dallas on commercial limitations, license fees, editorializing.

His Nov. 6-8 hearings on bills to prohibit FCC from setting rules on length & frequency of commercials will hear, among others: NAB Pres. Collins; FCC Chmn. Henry; some congressmen. NBC Senior Exec. Vp David Adams is probable witness while CBS & ABC plan to send statements similar to comments filed with FCC. Collins's testimony is expected to deal with part 2 of NAB's FCC filing—covering legislative history and NAB's contention that FCC lacks authority for this move.

Another anti-limitations bill was introduced last week by Rep. Langen (R-Minn.). It's similar to those of Rogers, Purcell (D-Tex.), Broyhill (R-N. C.).

Virginia Assn. of Bcstrs. called on its congressional delegation last week—10 representatives plus Sens. Byrd & Robertson—after briefing sessions with NAB's Hollis Seavey, govt. relations mgr. Broadcasters presented printed outline of their grievances, covering commercial restrictions, editorializing, fairness doctrine. Lawmakers were understood to have offered support.

Rogers had this to say about Congress-FCC relations: "I do not criticize [broadcasters for attacking me at time of editorializing hearings] because I am satisfied that they were simply equating [Congress with FCC] and considering the 2 agencies as being completely interwoven. Let me dispel that myth here and now...

"From some of the muscle-flexing that has taken place in recent years, it would seem that some of these agencies have decided to construe the word 'independent' literally and to consider themselves as the 4th branch of the govt...

"The editorializing hearings...would have been a great success had they accomplished only the single purpose of awakening the industry...to the inherent dangers of permitting administrative agencies to legislate...

"Your principal responsibility in expressing opinions on the air is to be certain you provide ample opportunity for broadcasting opinions dissenting from your own..."

Rogers commented on FCC's plan to charge license fees, authority for which Commission says is provided for in 1951 appropriations act: "Why did they wait 10 years? Was it an open defiance of the Congress, or was it the fact that they didn't think they had the power at any time? I prefer to subscribe to the latter..."

On FCC's proposal to set limits on commercials, Rogers said it was the first proposal of Federal Radio Commission or FCC, in 36 years, for "direct regulation as to the amount of advertising that could be broadcast." He urged industry to serve public "wisely," to address govt. with "unified voice."

Opposition to FCC's commercial-limitation rule-making has been expressed to Commission by 4 senators & 38 congressmen. "I'd call that 'substantial congressional interest,'" an FCC spokesman said, "but it ain't nothin' compared to the reaction before the communications satellite bill was passed. There were about 150 congressmen supporting AT&T's position." Opposition to rule-making has been filed by 29 state broadcaster associations.

COWLES—ON MEDIA GROWTH: Gardner Cowles, man of all media—broadcasting, newspapers, magazines—60 years old and going very strong, got off his views in interview by enterprising Peter Bart in Oct. 23 "N. Y. Times."

Cowles said magazine advertising is showing greater gain than TV this year—first time since TV started, and "I would be surprised if magazines & newspapers didn't do better in the next 5 years relative to the broadcast media than in the last 5 years."

As for newspapers: "Big city dailies that cover hard news well will have no great difficulties in coming years." Demise of "N. Y. Mirror"? "The 'Mirror' was essentially entertainment, and the entertainment business has moved to TV."

Bart writes: "The big news in TV during the next few years will be made by pay-TV, Mr. Cowles believes. Pay-TV, if successful, could further fragmentize the TV audience and increase the uncertainties facing TV advertisers."

Cowles said his organization now gets 1/3 of income from TV-radio & newspapers, 2/3 from magazines—but that acquisitions may change picture from time to time.

Advertising generally, Cowles said, should increase 6-10% annually during next 10 years.

FCC's commercial-ceiling proposal covers a "troublesome area," FCC Comr. Cox told Conn. Assn. of Bcstrs. Oct. 24, and he mused: "Perhaps...we should forego a rule and simply announce that as a general policy we regard the present NAB Code limits as sound for most stations, so that any broadcaster who is in compliance can be sure that we will not raise questions about the amount of time he devotes to commercials. As to those stations who do not meet the standards of the Codes, we would not close the door but would recognize that they may have perfectly valid reasons for exceeding those limits. These stations could be required to file showings as to why, in their judgment, it is necessary in their particular circumstances to devote a higher percentage of time to commercials during at least some periods. If these showings appear reasonable, the applications could then be granted despite the higher than normal commercial level."

Art Buchwald's satire on TV commercials Oct. 20 received warm praise from Sen. Smith (R-Me.): "I like it because he defends that underdog that practically all of us at one time or another have maligned or picked to pieces—the TV commercial." Titled "Commercial Addict: More Time to Drink Beer Than Anybody," Buchwald jests: "We happen to be one of those who think there aren't enough commercials on TV. After watching what the new TV season has to offer we have decided we'd rather watch commercials."

"FCC is challenging all free enterprise and all free communications," NAB Pres. Collins told Miami Beach Fall Conference, 4th of 8 regional confabs held annually by NAB. "Neither the FCC nor Congress has any business telling us what 'fairness' is and their efforts in these areas will create a jumble of difficulty for the broadcasting industry," he said. He listed 3 main problems facing NAB: Govt. encroachment, controversy over quantity & quality of commercials, broadcasters' own fear of being controversial.

Personals

NBC Chmn. Sarnoff receives Joseph E. Connor Memorial Award for excellence in communications, at Emerson College, Boston, Nov. 3.

Frank M. Headley, H-R TV chmn., re-elected to TvB board... **Todd A. Spoeri,** ex-U.S.A.F., named publicity-public relations mgr., WJZ-TV Baltimore.

Vin Dittmer, sales mgr., CTV Montreal, promoted to business mgr., Toronto... **Charles Warren,** Mutual's Washington news chief, also named bureau operations mgr.

Col. DeWolf Schatzel (USMC-ret.) joins A. Earl Cullum Jr. & Assoc., Dallas consulting engineers, in charge of special projects including microwave & CATV. He retired from Marine Corps in 1961, recently served as dir. of engineering, Midwest Program on Airborne TV Instruction.

Robert A. Bernstein, ex-Group W public relations dir., recently vp of Softness Group PR firm, named national public relations dir., Triangle Stations; **John F. Corcoran** appointed publicity dir., WFIL-TV-AM-FM Philadelphia.

Clinton M. Barrick, FCC Broadcast Bureau, appointed Comr. Bartley's engineering asst., succeeding **Neal K. McNaughten,** named OEC Emergency Systems Div. chief.

Don Kellerman, CBS News producer, becomes NET cultural programming dir. Jan. 7; **William H. Kobin,** ABC News producer, becomes NET public affairs programming dir. Jan. 1.

Jack Berry, commercial mgr., WNEM-TV-FM Flint-Saginaw-Bay City, promoted to station mgr... **Austin A. Harrison,** ex-NASA consultant & broadcaster, appointed gen. mgr., WIHS-TV Boston, new Ch. 38 station licensed to Catholic TV Center.

John P. Higgins, ex-law clerk to D.C. District Court Judge Charles McLaughlin, joins Washington law firm of Lyon & Chase.

Ben Colman, ex-Screen Gems, appointed sales mgr., Westhampton Film Corp, 717 Fifth Ave., N.Y., now marketing 15 post-1960 features and planning to finance new TV & motion picture production; **Henry S. White** is Westhampton marketing vp... **Bill Dawes** promoted to community relations dir., WCPO-TV & WCPO Cincinnati.

Barry Winton, ex-ABC Films account exec., joins Hamilton-Landis & Assoc., Washington.

John J. Nordberg, chief of FCC Common Carrier Div., retires Jan. 6 after nearly 34 years in govt. He'll become vp for development at California Lutheran College, Thousand Oaks, Cal. He joined Navy Dept. in 1930, came to FCC in 1935.

Obituaries

Eliot C. Lovett, 67, veteran Washington TV-radio attorney, died Oct. 21 of apparent heart attack in Boston. A past pres. of FCBA, he's credited with establishing right to attach recording device to phone, in case of SoundScriber vs. AT&T, which led to beep tone. He is survived by wife, daughter, 2 sons.

Leslie J. Harter, 72, retired AT&T Long Lines executive, died Oct. 19 at Peter Bent Brigham Hospital, Boston. He is survived by widow, brother.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington, D.C. 20006
Phone: 965-1985. TWX· 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

CBS Chmn. William S. Paley urged federal intervention & federal funds to meet educational requirements of space age, in Centennial Address prepared for delivery Oct. 26 at Bates College, Lewiston, Me., where he received Honorary Doctor of Laws degree. Paley called for establishment & enforcement of national educational standards, even though it might require constitutional amendment, and for federal financial aid to educational institutions. He said that if states fail to supply necessary basic education, federal govt. should be empowered to "step in and fill the void."

President Kennedy called for generous public contributions to Radio Free Europe, at White House luncheon for 66 business, broadcasting, publishing executives who have contributed to RFE. Kennedy said need for RFE is particularly acute in Eastern Europe where "these brave people value freedom." He pledged all peaceful U.S. govt. support for "adjustments" that would make these govt.'s more responsive to their people.

Plan to spread ham radio to other countries to aid communications, particularly where Peace Corps is operating, has been discussed by: Sen. Goldwater (R-Ariz.), himself a ham operator; Peace Corps Dir. Sargent Shriver; officials of FCC, Commerce Dept., American Radio Relay League, Boy Scouts; representatives of electronic manufacturers. Albert Kahn, Electro-Voice, was named chmn. of committee to facilitate shipment abroad of ham equipment & educational electronic kits.

HEW has received 5 more applications for ETV construction grants totaling $1,359,773: Metropolitan Pittsburgh ETV, $111,312 to expand Ch. 13; Community TV of Southern Cal., $528,327 to activate Ch. 28 Los Angeles; Twin City Area ETV Corp., $126,332 to activate Ch. 17 Minneapolis-St. Paul; Kentucky State Board of Education, $380,770 to activate Ch. 46 Lexington & $213,032 to activate Ch. 29 Somerset. Penn State amended its application from $239,580 to activate Ch. 69 State College, to $200,000 to start Ch. 3 Clearfield.

Global TV Enterprises, specializing in world-wide distribution of TV programs, is formed by Sam Gang, former NTA & ITC executive. Address: 37 W. 57th St., N.Y.; phone: HA 1-2648.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

'FORM FREEDOM' EXPANDS HI-FI MARKET: This year's most important trend in stereo hi-fi business, from where we sit, is not transistorization, but new "freedom of form," which is broadening the phono market. Trend is still in infancy, should expand considerably in next few years.

Here's what we mean. In stereo's beginning there were hi-fi components made by so-called "audiophile" manufacturers. These were then joined by consoles & portables—"package" goods built by big mass manufacturers. Consumer's choice was limited by these designs and his pocketbook.

Big change—several years in making—was most evident this year. One phase of it is flexibility in package units—such "functional furniture" pieces as coffee tables, end tables, room dividers, hutches, window seats. Add to this the table-model phono—one which drops all pretense of being portable, and is gradually becoming a new breed of instrument.

Perhaps most significant is realization that decision of components-vs.-package is not matter of quality but matter of form. Thus last 18 months have seen tentative forays into "component concepts" by traditional package manufacturers. Component packages are now being offered to conventional non-audiophile buyer by V-M, Webcor, Magnavox & GE.

Other side of coin has been recognition by audiophile manufacturers that there may be market for packaged versions of their equipment. This trend really started many years ago, when these manufacturers began combining tuner & amplifier (once considered an unpardonable sin). Today both Fisher & H.H. Scott have extensive console lines, and KLH has highly successful portable phono at $199.95.

It's all part of what was called the "quality revolution" by Vp-Gen. Mgr. Roland J. Kalb of Pilot Radio, which has long been in both component & package hi-fi fields. Discussing with newsmen his observations on swing through major markets in last 2-1/2 months, Kalb insisted last week that quality is now more important to consumer than price, submitting EIA 8-month phono sales figures to back up this view: $300-&-up category, 26% increase over 1962; $400-&-up, 42% increase.

By same token, Kalb sees decline of discount selling in high quality stereo field. In addition, he thinks audio components have outgrown Ma-&-Pa and "enthusiast" stores, and that they will more & more be important item for "major merchandisers," particularly dept. stores.

Although Pilot's components can be classed as "audiophile" merchandise, Kalb—by background & disposition—shies away from engineering salesmanship. Major merchandisers will handle component goods, he says, when manufacturers make it easy for them. By this he means the "component package" approach, permitting sales of matched component ensembles, which do not require extensive inventories.

With the bookshelf speaker and the exposed tuner-amplifier becoming important status symbols, it was inevitable that mass-product manufacturers would try their hands in "component ensemble" business. Traditional "phonograph" has fled confines of its rigid console-or-portable format. We think new wide choice of forms—with expansion of this trend to come in next year or 2—will do more than any other single innovation to increase sales of middle-& higher-priced phonos.

* * * *

That long-pending hi-fi definition is being "held in abeyance" for several months in hopes that more suggestions will be received, we were told last week by FTC spokesman. FTC has received proposals from EIA and several individual manufacturers, but audiophile manufacturers' principal spokesman, Institute of High Fidelity, has not yet been heard from formally. "We may eventually make a recommendation to the Commission on the basis of what's already in our file," spokesman told us. On other hand, there seemed to be slight indication that FTC might be disposed to drop entire project.

IMPORTED TV PRICES—GOING DOWN? There's feeling among American set makers—not shared by importers—that one effect of U.S.-made 11-in. sets will be to force prices of imports further down. Some American manufacturers fear possible Japanese dumping next year. But importers look at it other way around—they say American tinyvision is helping call public attention to brand new product field which is completely unsaturated, with beneficial effects on sales of small imports.

Effects of U.S. tinyvision on imports so far are disputed. One large American set manufacturer—which doesn't make tinyvision but is studying field carefully—says its retail reports indicate that "higher-priced Japanese sets are being clobbered" all of a sudden, presumably by American-made 11-in. product. He predicted Japanese response would be lower prices, but probably after Christmas.

Au contraire, say importers, promotion of "personal portable" is broadening market for wee TV. Spokesman for Sony, which claims 80% of all miniature TV sales in U.S., says there's been no slowdown in sales—in fact, "the 11-in. set is helping our sales." He explained, however, that Sony will continue to concentrate on "the quality market, the sophisticated market." While "other small sets are helping to sell ours," he said he feels Sony's battery operation and portability are biggest selling points. "Over a period of time, more than 50% of our customers buy batteries for their sets." Sony has no plans to go into the AC-only portable TV field, he added.

Sales Dir. Herman Marsen of Sharp Electronics (Hayakawa) expressed similar view on impact of U.S.-made tinyvision. "We're still in a back-order position on our battery sets," he told us. "If the GE set is cutting in, it will take us some time to find out. But I would say it's helping to increase the market for small-screen sets. GE's 16-in. set helped a great deal in making a market for our set of the same size.

"Actually, GE went into the small-set market after the Japanese had explored it. We think this will widen the sales potential. The large-screen market is saturated. It's tough and fiercely competitive. The small-screen market is a brand new one, and I think it's the best one for the dealer to explore. There's room for everybody in this new 2nd, 3rd & 4th-set market."

GE TV Receiver Marketing Mgr. Marshall Bartlett could shed little light on question. "We haven't been following the retail sales of Japanese sets," he told us, "so we really don't know."

One large TV manufacturer told us his investigation indicated "the bloom is off" the 11-in. set, that retail sales seem to be leveling off—at least temporarily—after initial surge. Asked to comment, Bartlett said: "We don't see anything in our retail figures that would alter our opinion—this is a very broad market." He also said it was too early to tell what distribution pattern is emerging on 11-in. set, with regard to sales by type of outlet, etc. As to sales mix between $99.95 model & step-ups, he said: "Since we are still allocating sets, any figures we could derive would have little meaning." Admiral, only other current U.S. maker of 11-in. sets, is also still in back-order position.

Whether advent of U.S.-made tinyvision will result in increase or decrease of imports, there's no question that U.S. manufacturers are looking at possibility of importing small-screen sets as a means of keeping themselves covered in tinyvision market. Sears Roebuck is test-marketing its 10-in. Toshiba-built import (Vol. 3:29 p10) in selected retail outlets at $89.95. Westinghouse is exploring possible import of 12-in. set, believed to be made by Mitsubishi. It's probable that other deals are in incubation stage.

HERTZ READIES NEW TV RENTAL PROGRAM: Bigger bite of booming product rental business, including TVs, is anticipated by Hertz Corp.'s expanding Rent-All Div. with new display-&-rent technique slated for introduction in N.Y. market within 3-6 months. Plan currently is undergoing test in Tampa market, has produced highly encouraging results.

Plan calls for establishment of network of in-store displays in all types of retail outlets throughout city. "It could be a drug store, a department store, any quality retail store." Each display is connected by direct phone to nearest Hertz Rent-All outlet, uses panel of color transparencies of products to attract traffic, is complete with 2 catalogs of products available for rent—one general product catalog, the other devoted to sick room needs. Store installing display is paid a straight percentage of the volume generated by the unit. Hertz would not reveal percentage figure, said there were no other fees for the floor space.

Hertz described program as "variation of our call-a-car stations in air & train terminals," said

it was developed jointly with its Tampa franchiser. Program has been operating in Tampa for about 6 months, "with great success," Hertz told us, adding: "The results have been so encouraging that this certainly is an area in which we are going to move." Franchiser has displays in several outlets of big Eckerd Drugs chain. Display is one ft. wide, 4 ft. long, 7 ft. high. "It should be especially effective in N. Y.," we were told, "because space here is at such a premium."

Hertz's TV rental business to date is running well ahead of year ago. For 2nd straight year, World Series demand "ran us out of TV sets here in N. Y. overnight." Baseball classic, Hertz said, vies with Christmas & summer vacation season as peak TV rental season.

Milton Cohen, Hertz vp & gen. mgr. of Rent-All Div., told us over-all TV rental volume is "not only much higher than a year ago but high enough for us to rethink our inventory and warehouse situation. We're holding discussions with TV set manufacturers right now with view to greatly increasing our inventory for next year.

Sony Micro TV set "is very hot with us here in N. Y.," Hertz noted. "We don't know why exactly unless it's the size & convenience." It can't be rental price, because rates are markedly higher on the little 5-in. set. Tinyvision TV rents for $17 for one week, $25 for 2, $30 for 3, $35 for month. Comparatively, 19-in. set rents for $13 for one week, $17 for 2, $21 for 3, $25 for month. Tinyvision battery pack is available for additional charge of $5 for one week, $7.50 for 2, $9 for 3, $12.50 for month.

Japanese 5-incher is displayed in Hertz Rent-All window, attracts considerable attention. "It's not a brand name situation," Hertz told us. "People usually come in after scanning our display window. They usually ask 'what does that little one rent for?' They rarely ask for sets by brand name."

Hertz entered Rent-All business some 3 years ago (Vol. 16:40 p15), has grown to 21 outlets in 15 cities—up from 18 in 13 at end of 1962 (Vol. 2:53 p8). Company operates 5 of the stores—3 in Chicago, one in N. Y., one in Highland Park, N. J. Franchised outlets are in Cincinnati (2); Columbus; Dayton; Huntington, L. I.; Lewiston, Me.; Louisville; Norfolk; St. Louis (4); South Bend; Spokane; Tampa; West Hartford, Conn.

Rental firm is continuing push into leased departments in department stores. Via franchisers, it now has rent-all departments in Shillito, Cincinnati, and main store and 2 branches of Stix, Baer & Fuller, St. Louis. "We are moving further into the department store field," Hertz told us, "and currently are dickering with Stern Bros. in N. Y., among others."

Hertz's TV rental business still is restricted to b&w sets. "There is some demand for color," we were told, "but we have not responded because of the service problems. However, it is inevitable that we'll get into color—but we've set no timetable yet."

TV-RADIO PRODUCTION: EIA statistics for week ended Oct. 18 (42nd week of 1963) excluding 11-in. and smaller:

	Oct. 12-18	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV...	158,670	154,472	137,618	5,659,824	5,297,522
Total radio	523,810	502,809	461,783	14,390,145	15,259,041
Auto radio.....	254,989	233,799	172,799	6,203,817	5,515,493

TOPICS & TRENDS

Photo finish between Zenith & RCA for title of No. 1 TV producer seems likely this year. RCA Sales Corp. said last week that it had passed million-mark in factory TV sales in Sept.—3 months ahead of its millionth set last year. Zenith announced earlier that its distributor-to-dealer sales topped million mark in 9 months of 1963 (Vol. 3:40 p9). Best guess is that Zenith will be No. 1 in unit TV sales this year, RCA No. 1 in TV dollar volume.

Cinerama hopes to hold demonstrations of Telcan home video tape recorder (Vol. 3:36 p7) in N.Y. & London within 6 weeks, company spokesman told us last week.

Can Japanese firms doing business with U. S. interests be held accountable under American laws? This is basic question in pre-trial maneuvering in anti-trust and breach of contract suit by Symphonic against Nippon Electric and group of other firms in N. Y. Federal District Court (Vol. 3:29 p7). Defendants have moved to vacate charge on grounds that principal Japanese firms named in suit (Nippon Electric, New Nippon Electric) don't do business in U. S. Memorandum filed with court last week by Symphonic attorneys charges that companies have actually conducted business in U. S. themselves, and that NEC N. Y. Inc. and Sumitomo Shoji N. Y. Inc. are actually parts of parent companies, rather than independent corporations. Principal document filed by Symphonic last week was lengthy affidavit by Pres. Max J. Zimmer recounting details of NEC's TV sales negotiations with his company and subsequent events. Argument on motion to vacate is scheduled for Nov. 26.

Imported transistor radios will capture about 72% of U. S. market this year, Sen. Saltonstall (R-Mass.) said last week in floor speech urging companies & workers in industries plagued by import competition to seek administrative relief through Tariff Commission. Quoting EIA estimates, he said imports last year accounted for 68% of transistor radio sales, Japanese-made sets alone comprising 63% of total sales. Figures used by senator presumably covered all types of transistor radios, including those with fewer than 3 transistors, which Japanese call "toys."

Realtone Electronics, which manufactures radios in Japan and sells them here, reports net sales of $4 million for first 6 months of 1963, increase of 35% over last year's period's $2.987 million. Pres. Ely E. Ashkenazi said "Realtone trademark appears on one out of every 8 imported radios sold in U. S." He added that Realtone has now reached status of 3rd largest factor in Japanese radio output, although its production is geared mainly to U. S., not to domestic or other world markets.

Electronic components business, which hit $2 billion level in 1953, will climb to $3.930 billion this year, reach $4.6 billion in 1965, $6 billion in 1970, in opinion of International Resistance Pres. Walter W. Slocum. Total electronics sales volume in 1970 is projected at $20.5 billion. Replacement parts, tubes & semiconductors, which accounted for $305 million a decade ago, will do $675 million this year, he said, and climb to $750 million in 1965, $950 million in 1970.

Leased department for hi-fi equipment, electron tubes & batteries has been opened in Macy's Herald Square, N. Y. store by Terminal-Hudson Electronics, which shortly will open similar departments in 3 other Macy N. Y.-area stores. Terminal-Hudson has been operating leased departments in 4 of Macy's Bamberger stores since last year.

Department store inventory of TVs, radios & phonos at end of Aug. was valued at 14% higher than year ago, Federal Reserve Board reported. Their Aug. sales of home entertainment products rose 12% above Aug.-1962 level, pushed Jan.-Aug. volume 6% ahead of same 1962 period.

A. R. Bernard Corp., import and merchandising consultant firm for cameras & tape recorders, has been formed in Chicago by Al Bernard, ex-Argus exec. vp.

Magnavox consumer products sales in 1963's first 9 months rose 33% and pushed profits 5% ahead of year ago to $7.2 million despite 13% sales decline to $118.5 million (see financial table). Sept.-quarter consumer volume boomed 60%, partially offset "sharp drop" in govt. business, and hoisted earnings 8% to $2.8 million. Sales, however, dropped 17% to $40.6 million. Pres. Frank Freimann reported record sales of TVs, stereo hi-fi & related products in 3rd quarter, said momentum is expected to continue throughout balance of year. Magnavox closed 3rd quarter with $75 million backlog of unshipped govt. orders, up sharply from $40 million a year earlier.

New computer caused imaginary slump in Japanese radio exports to U. S. for Aug., according to "Electrical Merchandising Week's" Tokyo bureau. Shipments of radios with 6 or more transistors actually increased 18% to 855,879 from the 725,510 of Aug. 1962. Shipments for 8 months totaled 5,092,930, up 13.1% from 4,502,029 in same 1962 period. Total of 452,116 originally reported (Vol. 3:41 p10) was derived by Japanese govt. by old computer, with additional amount obtained from new computer appended to released figures, "EM Week" said.

RCA's record 9-month pace (Vol. 3:41 p11) "is being maintained as we near the end of Oct.," Pres. Elmer W. Engstrom told Investment Analysts Society of Chicago last week, predicting sales & profit records for 4th quarter & full year. He said consumer & industrial products will represent 44% of RCA's business this year, up from 38% in 1961, while govt. business has declined from 38% to 32%. Relative contribution to RCA profits from govt. sales has been cut approximately in half since 1960, he added.

Professional Products Div., concentrating on electronic components for TV-radio broadcasting, commercial recording, TV & motion picture film production, and special sound applications, has been formed by Shure Bros., Evanston, Ill. components manufacturer. Robert W. Carr, formerly development engineering mgr., appointed division mgr.

Commerce Dept. publications now available: (1) "Technology of the Production of Radio-Electronic Equipment," English translation of 1961 Soviet textbook (334 pages); $5 from Office of Technical Services, Commerce Dept., Washington 20230 (Order 63-31826). (2) "Estimated Shipments of Selected Electronic Components, First Quarter 1963," available from Electronics Div., Business & Defense Services Administration, Commerce Dept.

"Colorcast indicator"—light which indicates whether station being tuned is broadcasting in color—is now included at no extra cost on all Magnavox color sets retailing at $595 & higher. Only other U. S. set with color indicator is Motorola.

New sets: Two contemporary 21-in. consoles, from Andrea, at $850 (remote control) and $750... Magnavox introduces walnut-finish wood cabinet AM-FM table radio at $69.90.

DISTRIBUTOR NOTES: Minnesota Mining's Revere-Wollensak Div. appoints **N. G. (Scotty) Lyall** audio-visual markets supervisor, names 3 consumer products sales supervisors: **B. R. Boatman**, Western area; **D. B. Ubel**, Eastern; **R. C. Merryman**, Midwest.

Trade Personals

Leon J. Knize, formerly Ravenswood pres. & one-time Stromberg-Carlson consumer products mktg. mgr., joins Fisher Radio as mktg. vp.

John T. Morgan, ex-Philco, promoted from merchandising vp to sales & merchandising vp, Sylvania Home & Commercial Electronics Corp... **Brock P. Hayes,** ex-Texas Instruments & CBS Electronics, named General Instrument national distributor sales mgr. for Semiconductor Products.

Harold Travis named Silicon Transistor financial vp, a new post, and secy.-treas... **Donald J. Fingleton** elected Globe-Union finance vp, succeeding **R. W. Conway,** resigned.

R. W. Lee named pres. of General Precision's information systems group, succeeding **W.E. Bratton,** resigned.

J. Walter English, formerly Fairchild Camera & Instrument controller, appointed finance vp of Simmonds Precision Products.

Paul Thayer named Ling-Temco-Vought senior vp in reorganization; J. O. Weldon becomes corporate vp & gen. mgr. of new Continental Electronics Div., **W. R. Kiefer** corporate vp & gen. mgr. of new LTV Michigan Div.

Frank J. Healy, Sylvania senior vp, awarded National Electrical Mfrs. Assn.'s James H. McGraw Medal for Co-operation, cited as "developer of scores of important new products and markets, and the creator of thousands of jobs in electrical and allied industries."

Alfred S. Gussin, former Karastan Rug Mills ad, sales promotion & store planning dir., joins Magnavox as mktg. svc. vp.

Franklin S. Riley Jr. appointed asst. mgr., Westinghouse's N. Y. PR office.

CBS is in "active negotiations right now" to acquire new companies, according to CBS Inc. Pres. Frank Stanton. Acquisitions will not be TV or radio properties, and "our next move will definitely not be in equipment," he said. Further gains for CBS Inc. for year's first 3 quarters were summarized by Stanton in address last week to Los Angeles Society of Financial Analysts: CBS-TV network sales, daytime & nighttime, were "substantially higher" than first 9 months of last year. Sales by CBS's o-&-o TV stations were "well above" last year's same period. CBS radio sales were "well ahead" of 1963, while compensation to radio affiliates was "more than double the amount we forecast at this time a year ago."

Movielab foresees record 1963 sales of about $7 million, up from 1962's $6.5 million, and earnings a "little better" than year-ago's $292,278. Pres. Saul Jeffee said expansion spending, including $750,000 investment in firm's N. Y. film processing lab, has held earnings down. He forecast higher sales & earnings in 1964, noted without further detail that Movielab is negotiating to process ABC-TV's news film.

EICO Electronic Instrument has moved into larger, 100,000-sq.-ft. hq plant at 131-01 39th Ave., Flushing, Queens, N. Y.

Muntz TV pre-tax earnings in 1963 fiscal year ended Aug. 31 slipped slightly to $1,023,799 from year earlier $1,047,841 (see financial table). Taxes whittled net earnings to approximately $632,000. No Federal income taxes were required in fiscal 1962 because of tax-loss carry-forward credits. Sales rose 3.3% to record $11.8 million from $11.4 million. Chmn. Floyd Dana & Pres. Wallace Keil forecast sales rise to $16 million in 1964 fiscal year, estimated that Muntz TV's current market share of about 1.5% of TV industry total would rise to some 3% by 1965. Company plans to put about 20% (or some 20,000 units) of fiscal-1964 TV production into color sets, said current TV sales run approximately 70% combinations (vs. 60% last year), consoles 10% (vs. 20%), tables & portables 10% (10%), lowboys 10% (10%). Slated for introduction by year's end is Japanese-made 16-in. set. Keil said Muntz has no present plans to add tinyvision sets. He forecast 1964 industry sales of some 6.5 million TVs, including 1.25 million color sets.

Motorola, which opened 1963 with 45% profit slide in first quarter (Vol. 3:19 p12), continued to rebound with record sales & earnings in 3rd quarter (see financial table). July-Sept. surge pushed 9-month sales to record $270.3 million from year-earlier $244.7 million, closed profit gap to $9 million vs. $9.1 million. Sept.-quarter sales rose 15% to $98.2 million. Profits were up 20% to $4.1 million. Pres. Robert W. Galvin said each of Motorola's 6 domestic divisions contributed additional sales and/or earnings to the improved results, noted that international revenues also increased. He predicted favorable 4th-quarter performance, with both sales & earnings exceeding those of 1962's final period, added: "This will result in record sales for 1963 and total profits higher than last year." Motorola in 1962 earned $12.2 million on record $346.9 million sales.

Westinghouse losses in electric utility & marine group operations, coupled with unusually heavy expenses in 3rd-quarter introduction of new consumer products, resulted in July-Sept. profit dip to $13 million from year-earlier $14.6 million, despite 14% sales rise to $536.1 million (see financial table). Nine-month earnings slipped to $39.6 million from $40.1 million, although sales were up to $1.556 billion from $1.428 billion. Pres. Donald C. Burnham said all product groups contributed to increased volume. New orders & backlog of unfilled orders continue to run well ahead of year ago, and Westinghouse expects total 1963 sales to top record $2.009 billion set in 1957.

Chapter 11 plans of 25% each have been filed by Wilcox-Gay & wholly-owned subsidiary Majestic International (Vol. 3:28 p12) with Referee Louis J. Castellano, N.Y. Wilcox-Gay proposes 2-1/2% cash payment on confirmation, 9 payments of 2-1/2% each at 6-month intervals. Majestic would pay 50% of annual net profit until creditors receive 25% of their claims. Hearings on both plans are scheduled for Oct. 30. Meanwhile, Wilcox-Gay has been authorized, with referee's approval, as exclusive sales agent for German-made SABA line of TVs, radios, phonos, tape recorders.

IBM's largest stockholder is Fairchild Camera & Instrument Chmn. Sherman M. Fairchild, with 150,000 shares. Next largest: IBM Chmn. Thomas J. Watson & family, 117,000 shares.

Muntz TV stock purchase of 17,000 shares by vp Jack Simberg boosts his direct holdings to 51,500 shares.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Amphenol-Borg Electronics	1963—9 mo. to Sept. 30	$ 62,425,918	—	$ 1,705,137	$ 1.23	1,387,677
	1962—9 mo. to Sept. 30	65,914,230	—	1,593,164	1.15	1,387,677
Capital Cities Bcstg.	1963—9 mo. to Sept. 30	12,068,594	$ 2,815,165[7]	1,321,796	1.06	1,184,411
	1962—9 mo. to Sept. 30	10,946,957	1,995,445	939,197	.75	1,184,411
Corning Glass	1963—40 wks. to Oct. 6	218,051,969	$ 43,776,127	23,289,127	3.40	6,791,885
	1962—40 wks. to Oct. 7	198,625,161	39,412,732	21,332,732	3.12	6,789,000
Electronic Specialty	1963—9 mo. to Sept. 30	51,843,251	—	2,061,525	1.40	1,467,752
	1962—9 mo. to Sept. 30	48,356,297	—	1,953,994	1.39	1,407,685
Erie Technological Products	1963—9 mo. to Sept. 29	22,081,000	—	444,000	.45	798,806
	1962—9 mo. to Sept. 29	20,656,000	—	816,000	.90	798,806
	1963—qtr. to Sept. 29	7,615,000	—	174,000	.18	798,806
	1962—qtr. to Sept. 29	6,355,000	—	215,000	.23	798,806
GT&E	1963—9 mo. to Sept. 30	1,047,787,000[1]	—	71,523,000[1]	.94	75,498,000
	1962—9 mo. to Sept. 30	970,770,000	—	59,276,000	.79	74,224,000
	1963—qtr. to Sept. 30	363,312,000[1]	—	25,237,000[1]	.33	75,803,000
	1962—qtr. to Sept. 30	321,432,000	—	20,889,000	.27	75,019,000
Goodwill Stations	1963—9 mo. to Sept. 30	6,166,845	—	548,502	.79	631,903
	1962—9 mo. to Sept. 30	5,669,172	—	456,146	.66	632,143
Hazeltine	1963—9 mo. to Sept. 30	31,264,000	2,361,000	1,125,000	.72	1,568,363
	1962—9 mo. to Sept. 30	35,220,000	3,063,000	1,428,000	.91	1,568,363
Littelfuse	1963—9 mo. to Sept. 30	4,656,679	—	214,061	.63	341,237
	1962—9 mo. to Sept. 30	4,759,335	—	237,879	.70	341,237
	1963—qtr. to Sept. 30	1,520,000	—	68,467	.20	341,237
	1962—qtr. to Sept. 30	1,405,000	—	55,229	.16	341,237
Magnavox Story on p. 10	1963—9 mo. to Sept. 30	118,500,000	14,176,000	7,200,000	.98	7,359,795
	1962—9 mo. to Sept. 30	136,500,000	14,040,000	6,850,000	.94	7,324,786
	1963—qtr. to Sept. 30	40,600,000	5,608,000	2,800,000	.38	7,359,795
	1962—qtr. to Sept. 30	49,000,000	5,140,000	2,600,000	.35	7,324,786
Motorola Story on p. 11	1963—9 mo. to Sept. 30	270,329,305[1]	19,192,276[2]	9,030,259	2.24	4,026,872
	1962—9 mo. to Sept. 30	244,700,845[1]	19,396,488[2]	9,098,080[1]	2.26	4,026,872
	1963—qtr. to Sept. 30	98,163,075[1]	8,706,223	4,117,165[1]	1.02	4,026,872
	1962—qtr. to Sept. 30	85,051,498	7,272,937	3,412,104	.85	4,026,872
Muntz TV Story on p. 11	1963—year to Aug. 31	11,762,672[1]	1,023,799[3]	632,799	.44	1,437,482
	1962—year to Aug. 31	11,391,265	1,047,841[3]	1,047,841	.73	1,409,982
Outlet Co. (WJAR-TV Providence)	1963—6 mo. to July 27	7,978,183[4]	321,831	177,331	.36	497,100
	1962—6 mo. to July 28	8,142,373[5]	702,012	336,347	.68	497,100
Howard W. Sams	1963—qtr. to Sept. 30	—	—	271,009	.50	537,111
	1962—qtr. to Sept. 30	—	—	201,621	.37	535,718
Taft Bcstg.	1963—6 mo. to Sept. 30	5,894,764	1,989,827	913,813	.58	1,589,485
	1962—6 mo. to Sept. 30	5,729,398	2,128,018	964,036	.60	1,589,485
Westinghouse Story on p. 11	1963—9 mo. to Sept. 30	1,555,602,000	73,688,000	39,588,000	1.07	36,012,136
	1962—9 mo. to Sept. 30	1,427,749,000	71,829,000	40,129,000	1.09	35,622,369
	1963—qtr. to Sept. 30	536,056,000	24,199,000	12,999,000	.35	36,012,136
	1962—qtr. to Sept. 30	470,777,000	26,015,000	14,615,000	.40	35,622,369

Notes: [1]Record. [2]Before $1 million (25¢ a share) capital gain from sale of Motorola Finance Corp. (Vol. 2:25 p10). [3]Federal income tax not required because of loss carry-forward credits. [4]Includes $726,575 from broadcasting. [5]Includes $1,111,063 from broadcasting. [6]After $116,496 in special charges.

WEEKLY **Television Digest**
with
Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

NOVEMBER 4, 1963 NEW SERIES VOL. 3, No. 44

NAB LIBRARY
NOV 4 1963

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

FCC's BIG-TICKET AGENDA defers action on drop-ins & CATV rules. Progress report on network program ownership, station program form, deferred renewals, station-sale processing, CATV-station joint ownership (p. 1).

FTC CHECKS NIELSEN; NAB & RAB AGREE: Consent order requires Nielsen to refrain from alleged monopolistic practice, to open up patents to anyone royalty-free for 4 years, to refrain from acquiring any rating company for 10 years. NAB & RAB come to terms on radio methodology study (p. 2).

BILL QUARTON'S 'DEAR ROY' RE COMMERCIALS calls for Exec. Committee meeting on Code, says Code Board Members 'won't give up their policy making authority to anyone' (p. 3).

ROGERS TO WEIGH FCC POWERS: Commission testimony prepared for Nov. 6 hearing claims 'broad authority' to deal with over-commercialization. Rogers thinks differently, says view is indicative of FCC staff attitude (p. 3).

CRICHTON DISSECTS WASHINGTON: AAAA pres. tells IRTS that FCC should let industry handle over-commercialization, says radio overpopulation has helped create problem, hopes FCC won't repeat with uhf, urges reconsideration of option time ruling (p. 4).

Consumer Electronics

NEB. PULLS RUG ON TIME SALES: State Supreme Court rules that interest charges on time sales are loans, voids all contracts since 1959 in which rates exceed state's 9% simple usury maximum. Retailers & financing agencies face loss of interest, principal & products estimated at some $1 billion (p. 7).

FM MARKET BIGGER than most people realize—survey indicated production & imports of FM receivers will exceed 5 million this year, 6.4 million next year, compared with about 3.3 million in 1962; imports surprisingly high, could pass domestic output in '64 (p. 8).

HOME TV RECORDER to be shown to TV manufacturers by Fairchild Camera, which may build it for OEM sales only; no details revealed, but Fairchild also plans professional unit at $3-$5,000 (p. 9).

8-MONTH SALES FIGURES reflect healthy TV business, though all-channel sets are only 14% of output; FM & car radio are high spots in drab radio picture; phono sales come close to record Aug. '62 figure (p. 10).

BOOM TV BUSINESS continues into Oct., while portables increase share of market; Magnavox discontinues low-end color consoles & combo due to tube squeeze; Ed Taylor predicts TV sales; Pilot to start color sales this fall (p. 11).

FCC'S BIG-TICKET AGENDA: FCC had some heavy items on agenda last week, didn't get to all of them. Here's what happened, we've learned:

(1) Vhf drop-ins & CATV rules weren't considered, probably won't get action this week either. Apparently, Commission doesn't consider speed mandatory.

(2) Network program ownership practices were discussed Oct. 28, with upshot that Commission decided to ask networks for more data on their revenues & profits from program sales & syndication.

(3) Adoption of new program form for radio was given high priority, and it's expected quite soon. Also, stations will be required to file renewal applications more than present 90 days before expiration, to give FCC staff time to process; 5-6 months are expected.

(4) Deferred renewals for Md., D.C., Va. & W.Va. were discussed, and Commission agreed with staff that more data on virtually all is needed. Most had non-program problems—technical, incomplete applications, etc. Of 77 deferred AMs, 9 have program problems, 7 have program & other problems. All 14 FMs have non-program angles. All 10 TVs are being questioned on "local-live" issue.

Copyright 1963 by Television Digest, Inc. Reproduction in any form, without written permission, prohibited.

(5) Purchase of WBOY-TV Clarksburg, W. Va. by CATV operator there, Fortnightly Corp., was set for oral argument Jan. 9 on policy question of such joint ownership.

(6) Anxious to speed station sales action, Commission asked staff for ideas. In Sept., 5 attorneys were added to processing group; it's expected several more will be detailed to task.

Commission had the big agenda because Chmn. Henry was back from Europe but expected to return there Oct. 31. He didn't, so pressure eased. Now, he may not go back at all, because space allocations discussions in Geneva seem to be going well.

FTC CHECKS NIELSEN; NAB & RAB AGREE: Ratings hearings of last spring provided dramatic backdrop for major developments last week:

(1) Nielsen agreed with FTC last week to open up its patents on metered devices to any applicant, to abandon alleged monopolistic practices which FTC charged had been going on since 1946.

(2) NAB & RAB reached deal to partner radio methodology study aimed at finding technique that will adequately measure modern listening habits. Each will put up $75,000 of needed $200,000 for research to be conducted by Audits & Surveys Co.; RAB is to raise remainder.

(3) Spectacular newspaper-wire service interest in new-season ratings, even for this time of year, has given Nielsen fretted brow. It's concerned over leaks to press in violation of contracts as well as repercussions in Washington. Sweepstakes atmosphere created by stories prompted this comment from Subcommittee source: "It doesn't look as though our hearings did any damn good."

(4) WAME Miami, first station to sue as result of ratings hearings, withdrew its suit against Nielsen for $250,000 compensatory damages & $1 million in punitive damages. Station is also withdrawing suit against Pulse.

Practical effect of Nielsen consent order with FTC is considered negligible, according to observers we've checked, except to lend weight to legal battles Sindlinger & ARB had with Nielsen over patent infringement. Suits were settled out of court, never decided on merits.

"The order is 12 years too late," said Albert E. Sindlinger, referring to 1950-52 legal suit over electrical Radox. ARB spokesman said order was at least 3 years too late, alluding to electronic Arbitron battle that lasted 3 years, cost estimated $250,000, was settled as soon as CEIR acquired ARB. Under agreement, ARB has been paying annual royalty of $10,000 on Arbitron, which ARB developed and now uses only in N. Y. One effect of FTC order will be to stop royalty payment.

It was also considered questionable whether Sindlinger, ARB or any other company would now make mad dash to get into mechanical device audience measurement, to battle with Nielsen's Audimeter. Sindlinger said one reason he finally settled out of court was his growing belief that a device with fixed panel of homes wouldn't measure listening adequately. He received $75,000 plus return of stock held by a Chicago group. He also commented that at time of suit, Justice Dept. was asked to intervene as friend of court but declined because it had no interest in ratings.

ARB has been pressing for refinement of its diary technique, has all but abandoned plans for expanded use of Arbitron. One reason is its expense. Another is probably the one pointed to by most observers: As TV viewing gets more personal, meter device will lose many of its exclusive advantages. This happened in radio. Nielsen already had been using mostly diaries to measure local radio, until it abandoned that service recently.

Nielsen's consent order is for "settlement purposes only and does not constitute an admission by respondent that the law has been violated as set forth in complaint," FTC stated. Commission charged that Nielsen had achieved monopoly of national TV & radio ratings, said that in 1961 rater's share was more than 90% of $4,532,000 spent. FTC alleged that Nielsen had entered into contracts & combinations in restraint of trade, citing its 1950 deal with Hooper in which latter agreed to stay out of national TV & radio ratings.

Company suppressed & restrained any device designed to compete with Audimeter & other Nielsen gadgets, FTC alleged, adding rater established monopoly of patents and discouraged—through harassment & coercion—development of other devices.

For next 10 years Nielsen is forbidden to acquire or merge with any other rating firm and to hinder development of electronic or mechanical devices. Company is also required to make available all its patents on non-exclusive, royalty-free basis for 4 years and for reasonable royalty payment thereafter. Company agreed to waive royalties under existing licenses for 4 years and to refrain from entering into any agreement that would lessen competition in ratings. Noting that FTC once considered divesting Nielsen of 50% of its clients, one observer stated that Nielsen came off pretty well in swapping current order for that.

NAB & RAB finally reached accord after hectic negotiations. Both groups are looking forward to getting project in field, hopefully before end of year. NAB is polling board members. RAB already has board approval.

RAB's plans to raise additional $50,000 are not yet known, but several months ago it mentioned 2 possible sources: Token ad agency support and revenue from stations in test markets which presumably would be first to benefit. Study is to take place in 2-3 cities, but a number of pre-tests will be conducted first. One such pre-test involving diaries has been going on in N. Y.

Unity theme was sounded by RAB Pres. Edmund Bunker, in speech to Ore. Assn. of Bcstrs. Nov. 1. He praised NAB's leaders highly, promised to fight for industry unity, adding though that RAB would never put unity before progress.

BILL QUARTON'S 'DEAR ROY' RE COMMERCIALS: Some pretty testy words—about commercials & Codes—have been directed at NAB Pres. LeRoy Collins by William Quarton, chmn. of NAB board and its exec. committee. "Dear Roy" letter he wrote to Collins leaked out in "Broadcasting" magazine last week; it calls for Nov. 7-8 exec. committee meeting in Washington to discuss subject. Tone of Quarton's words was cold indeed. Let them speak for themselves:

"It is one thing for Chairman Henry, or anyone else, to make general statements about the desirability of cutting down the commercial content of programs broadcast, and quite another to work out the specifics... I must candidly confess that I do not know how to put practical limitations on the length of commercials that would satisfy the governmental authorities in Washington or the public, nor do I know anyone who has the answer...

"The time the public takes to listen to commercials is, in effect, what they pay for entertainment and information... The public never will like commercials much better than they do paying taxes... As you have said, it's important that we consolidate our thinking before a Code Director is appointed. I hope you will not appoint anyone until the Executive Committee has an opportunity to visit with you on Nov. 7...I certainly agree that the Code Director should have the power to make decisions, subject to the review of the Code Board. No board can make the day-to-day decisions necessary to run a business like ours. On the other hand, Governor, it isn't necessary to have a board meeting to make it clear that our Code Board members, backed by the NAB directors, are not going to give up their policy-making authority to anyone."

ROGERS TO WEIGH FCC POWERS: FCC's view that it has "broad authority" to deal with over-commercialization will be carefully scrutinized at Nov. 6-8 House hearings, conducted by Rep. Rogers (D-Tex.), chmn. of Communications Subcommittee.

As Rogers sees it, issues are clearly defined. Commission says in its statement prepared for Nov. 6 appearance that "well-established and sound policy in this area indicates continuation of the Commission's present broad authority... Rule-making proceeding [utilizes] the 'comprehensive,' 'expansive powers' and very broad flexibility which Congress bestowed upon it in order that it might deal effectively with this dynamic industry." It said the guide—"the expert's familiarity with industry conditions"—should be applied.

FCC asks that Rogers bill (HR-8316), and others', prohibiting Commission from setting rules on length & frequency of commercials, be rejected. It asks, too, that Rogers wait to see if any rule is adopted before he proceeds with legislation. Commission has set Dec. 9 for oral argument; prospective participants must notify FCC by Nov. 12.

Rogers said FCC's statement proves case, told us: "It clearly indicates that FCC believes it has the broad power to write substantive law. This has been the general attitude of the staff over there.

We'll have to find out whether Congress is still running this country. It's our view that FCC doesn't have the power, that Congress must provide specific authority, if any action were ever to be taken in this area" (Vol. 3:42 p2).

FCC's prepared statement is mere 3 pages. It's understood Rogers plans to question each commissioner on his views.

Here's schedule of witnesses: Nov. 6—FCC Chmn. Henry; Congressmen, including those who've introduced similar bills, Broyhill (R-N. C.), Purcell (D-Tex.), Langen (R-Minn.), Roberts (D-Ala.). Nov. 7—Peter Kenney, NBC Washington; Jack Harris, KPRC-TV Houston; John Hopkins, KCOP-TV Hollywood; Payson Hall, Meredith.

Nov. 8—NAB Pres. Collins; Wayne Kearl, KENS-TV San Antonio; Ken Duke, KDDD Dumas, Tex.; John Coyle, KVIL Dallas; Leo Hackney, KGVL Greenville, Tex.; Jim Terrell, KTVT Ft. Worth; Marshall Pengra, KLTV Tyler, Tex.; Harry Thayer, WGHQ Kingston, N. Y.; John Doerfer, Md.-D. C.-Del. Bcstrs. Assn. In addition, it's understood Randolph Holder, WGAU Athens,& Ray Carow, WALB-TV Albany, Ga., plan to testify.

CRICHTON DISSECTS WASHINGTON: Ad agency stake in Washington TV-radio developments was well summarized last week by articulate John Crichton, pres. of American Assn. of Advertising Agencies, in speech to N. Y. IRTS:

(1) Option time. Agencies find its abolition disquieting: "In most local markets licensees have had from 13 to 5 years to develop local talent and local shows. In general they have developed little... Suspicion [is that] option time now freed will become either reruns of old and dreary movies or a new happy hunting ground for syndicated shows... Most of what is admirable [in TV & radio] is directly traceable to networks. They have been the fount of programming experimentation and public service pioneering." It's hoped FCC will reverse itself "if no positive good results."

(2) Over-commercialization. Agencies agree with FCC Chmn. Henry that there's serious problem: "As rates go higher, and clutter becomes more prevalent, and the coagulation of junk around the station break increases, the advertiser is being asked to pay more for less and less." But agencies believe in self-regulation, don't think govt. should do job. NAB should be credited for conscientious struggle. "No one... would call their efforts wholly successful. Yet it is very doubtful if the government will be more successful. Government regulatory agencies—run by competent, serious and wholly honest people—have a very dubious record of combining social progress and economic health. Consider... the railroads under ICC; the airlines under CAB..."

One thing Chmn. Henry overlooked, Crichton said, is that FCC placed economic burden on many radio stations by its "free-wheeling granting" of licenses: "What did happen was that market after market was subjected to economic chaos, and the cheap spot and the overloaded commercial schedule became a fixture... It would take quite an optimist to assert that diversity of programming was in any significant way served by all those license grants... One result of FCC's economic myopia was to diminish drastically radio as a national advertising medium. When the Commission contemplates the addition of a good many uhf stations, has it considered the radio experience?"

(3) Rating research. Had not Rep. Harris held "those illuminating hearings," research would have been re-examined, anyway: "As the price of broadcast advertising investment has risen, the question is repeatedly raised as to advertising values." Agencies are as interested in learning more about characteristics of audience, with changing population shifts, as they are in knowing that rating services are sticking to survey specifications. "The question of whether the broadcast audience is as large as we think from present measurement, or made up of the people we think it is made up of, is of far more consequence than the fact that a metered set was allowed to operate 24 hours a day for 10 days." Advertising Research Foundation should be the focal point for bringing about "improved research facilities and performance." Additional views: Networks should not be licensed. Govt. shouldn't police rating services—"industry should do the job."

Crichton concluded: "A substantial minority of agencies tends to believe that governmental intervention in these areas may be the only solution... The confidence of the advertising agency in the ability of the broadcaster to exercise meaningful self-regulation has diminished."

NEW & UPCOMING STATIONS: WGHP-TV (Ch. 8) Greensboro-High Point & Winston-Salem, N. C. started Oct. 14 as ABC-TV outlet. The following day, WMEB-TV (Ch. 13 ETV) Orono, Me. began programming. They are year's 11th & 12th new starters, raise operating TV total to 646, of which 83 are ETV. WATR-TV Waterbury, Conn. got program test authorization Oct. 16 for move to Ch. 20 from Ch. 53.

WGHP-TV has 25-kw RCA transmitter, 1255-ft. Kline tower near Sophia, N. C., studios in Sheraton Hotel, High Point. Principal owner (55%) is Winston-Salem Bcstg. Co. (James W. Coan, pres.) which operates radios WTOB Winston-Salem; WSGN Birmingham, Ala.; KTHT Houston. Coan is pres. & gen. mgr. of WGHP-TV; Nat Tucker, ex-WBTV Charlotte, is program & production dir.; Leo Derrick, ex-WFMY-TV Greensboro, promotion & public relations dir.; Charles Harville, ex-WFMY-TV, sports dir.; Fred Barber, ex-WSOC-TV Charlotte, news dir. Rep is Storer TV sales. Base hour is $800.

WMEB-TV has 25-kw RCA transmitter, 260-ft. guyed tower. Owner is U. of Maine, which also holds CP for WMEM (Ch. 10) Presque Isle. John W. Dunlop is gen. mgr.; Robert X. MacLauchlin, program dir.; Donald Robert, production mgr.; Roger W. Hodgkins, chief engineer.

* * * * *

In our continuing survey of upcoming stations, here are latest reports received from principals:

KBLU-TV (Ch. 13) Yuma, Ariz. has ordered Dynair transmitter, hasn't specified delivery date but plans to begin programming Dec. 1 as a CBS affiliate. Tests start Nov. 15, reports Robert W. Crites, gen. mgr. Construction of studio-transmitter building at 1320 Fourth Ave. began early in Sept. It will use 200-ft. Blaw-Knox tower with Jampro antenna. Rep is Grant Webb & Co., base hour $175.

KNMT (Ch. 12) Walker, Minn. has changed programming target to Dec., writes Glenn W. Flint, gen. mgr. of owner KCMT (Ch. 7) Alexandria, Minn. RCA 2-kw transmitter is being installed in studio-transmitter building near Hackensack, Minn. It will pick up NBC-TV via microwave relay from KCMT. Base hour will be $150. Avery-Knodel will be rep.

WMEM (Ch. 10 ETV) Presque Isle, Me. has 25-kw RCA transmitter due by Nov. 15, plans Jan. 1 programming start, reports John W. Dunlop, gen. mgr. of WMEM and WMEB-TV Orono, Me. Construction of studios & transmitter house has been nearly completed; 400-ft. Stainless tower is scheduled for erection by Nov. 1.

KCOY-TV (Ch. 12) Santa Maria, Cal. plans Feb. start, according to James H. Ranger, gen. mgr., one of 5 owners of grantee Central Coast Television. It has just started construction. GE 10-kw transmitter and 147-ft. tower have been ordered, for delivery by Nov. 15. Rep will be Venard, Torbet & McConnell.

WXXW (Ch. 20 ETV) Chicago, Ill. planned as second outlet by Chicago Eductional TV Assn., plans to start "during summer of 1964," writes Duane M. Weise, dir. of engineering for WTTW (Ch. 11 ETV) there, which has been on the air since Sept. 1955. Equipment hasn't been ordered, but transmitter will be at 135 S. LaSalle St., also site of WTTW. It will use a circular 100-ft. tower to be manufactured to order.

"Distortion of the facts" in Ky. campaign for governor between Democrat Edward Breathitt and GOP Louie B. Nunn brought FCC "fairness doctrine" into play. Supporters of Nunn had sent stations radio spots including quote from a President Kennedy news conference, and Ky. Bcstrs. Assn. asked Commission for ruling on their obligations. Spot was as follows: "The news conference of Pres. John F. Kennedy, originating from the main auditorium of the State Dept. in Washington. Ladies & Gentlemen, the President of the United States. [Voice, presumably that of President Kennedy]: 'Good afternoon ladies & gentlemen. I would say that over the long run we are going to have a mix. This will be true racially, socially, ethnically, geographically, and that's really, finally, the best way.' Breathitt supports this Kennedy policy. Vote against it. Vote Nunn-Lawrence." Commission then quoted from the press conference, showing that foregoing was clear distortion. Kennedy's use of "mix" referred to lineup of voters, had no implication of miscegenation—that although majority of Negroes vote Democratic, Republicans "could get the support of the Negroes, but I think they have to recognize the very difficult problems the Negro faces." FCC also said there's no "equal-time" obligation of station to carry the announcement—because no personal use of the station by a candidate is involved.

"Remarkably little imagination or ingenuity" has been shown by broadcasters in their comments on FCC's proposal to limit commercials, according to Comr. Lee Loevinger. In Nov. 1 speech before Ore. Assn. of Bcstrs. in Portland, he said he could think of several ways to approach subject, though he wasn't proposing or recommending them: (1) Require that amount of station's program content be no less than NAB Codes at any particular time—thus permitting flexibility as Codes change. (2) Establish time standards—NAB's or some other—"which were considered as prima facie or presumptive specifications of the public interest but which were not conclusive or compelling." (3) Let each station describe its own code to FCC—specifying its maximum time for commercials, minimum time for news and "public service content"—and Commission would hold station to such code. Loevinger also repeated his view that FCC does remarkably good job, despite "stupendous" workload. He'd delegate much more authority to staff.

Gov. Collins in Columbus, O. Nov. 1, in speech to Ohio Assn. of Bcstrs., said of FCC Chmn. Henry's "Omaha Report" on local live programming: "The major conclusion reached by Mr. Henry is that the people have to be told by the FCC what TV ought to be doing... Frankly I share his concern, as I think do most TV broadcasters, for the continued improvement of local live programming... But I would say to Mr. Henry that his remedy is worse than the illness he diagnoses."

Forfeitures of $500 each, from the 4 Minneapolis TVs, were affirmed by FCC last week. It held stations guilty of failing to identify sponsor of one-min. spots in a Sunday store-closing controversy (Vol. 2:37 p2). In decision, Commission defined "willfully" & "repeated," as used in connection with violations. "Willfully," FCC said, "does not require a showing that the licensee knew he was acting wrongfully; it requires only that the Commission establish that the licensee knew that he was doing the acts in question—in short, that the acts were not accidental (such as brushing against a power knob or switch)." "Repeatedly," FCC said, "means simply more than once."

Personals

William R. McAndrew, NBC News exec. vp, receives Nov. 10 annual CARTA award for "outstanding efforts in raising the standards of TV"...**Sam Zelman**, ex-KTLA Los Angeles news dir., rejoins CBS News as West Coast bureau mgr., succeeding **Robert Schakne**, who returns to duty as correspondent.

Paul R. Ross, ex-administrative mgr., NBC-TV network sales, appointed BBDO TV-radio business mgr... **Martin Beck** promoted to radio sales mgr., Katz Agency, succeeded as asst. sales mgr. by **James Greenwald** of sales staff.

D. Thomas Miller, ex-ABC-TV Spot Sales central div. vp, named gen. mgr., WBKB Chicago...**Jay B. Sondheim** promoted to gen. mgr., WLYH-TV Lebanon-Lancaster, succeeded as sales mgr., KFRE-TV Fresno, by **Keith G. Dare**, WNBF-TV Binghamton sales mgr.

Keith Adamson, USIA foreign service officer, named deputy dir. of broadcasting service, succeeding **Arthur W. Hummel Jr.**, named Asst. Secy. of State for educational & cultural affairs.

George W. Bartlett, NAB engineering mgr., named chmn., 1964 Engineering Achievement Award Subcommittee; **James D. Parker**, CBS TV R-F engineering dir., named Luncheon Speakers Subcommittee chmn., Broadcast Engineering Conference.

Thomas S. Carr, vp & gen. mgr., WBAL-AM-TV Baltimore, elected pres., Maryland-D. C. -Delaware Bcstrs. Assn...**Jim Major** appointed WITI-TV Milwaukee production mgr., **Conrad Kaminski** named asst. promotion mgr.

Alan Henry, asst. to **John W. Kluge**, Metromedia chmn.-pres., appointed vp & gen. mgr., KLAC-AM-FM Los Angeles, succeeding **Robert Forward**, named gen. corporate exec.

Steve deSatnick, engineer in charge of technical facilities, WNDT N. Y., promoted to technical & production operations mgr.; **Paul Picard** promoted to production mgr.

Edwin R. Bayley, dir. of information staff of State Dept.'s Agency for International Development (AID), appointed to new post of public affairs programming dir., National Educational TV.

Al Munn promoted to regional sales mgr., **Marvin Pridgen** to local sales mgr., WSOC-TV Charlotte.

Adler Associates is new Washington management & engineering consulting firm, in CATV, ETV & pay-TV fields, established by M. William Adler. He's operator of 6 CATV systems in W. Va. & Va., with hq in Weston, W. Va., has offices at 519 Transportation Bldg., Washington, 20006 (Executive 3-3400). A CATV operator for 10 years, NCTA board member Adler and his associates provide services in appraisals, research, management, engineering, construction.

Change in visual-aural power ratio for vhf, to make it same as uhf, has been proposed by FCC. This would allow aural power to range from 10% to 70% of visual. Uniform standards were requested by set makers, to ease receiver design.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington, D.C. 20006
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN
Editor & Publisher
JONAH GITLITZ,
Managing Editor,
Television Digest
PAUL STONE,
Editorial Director,
Television Factbook

BUSINESS
EDWARD M. KELLY,
General Manager
RUDOLPH SAPPER,
Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH,
Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN,
Associate Editor

"KTLA sweepstakes," purchase of the Paramount-owned Ch. 5 Los Angeles independent, was won by Gene Autry & his associates of Golden West Bcstrs., Pres. Robert O. Reynolds & Exec. Vp-Gen. Mgr. Loyd Sigmon. Price was $12 million—highest yet for a TV-only purchase (no real estate), except the $10.6 million purchase of 50% of WTAE Pittsburgh by Hearst. Enhancing attractiveness of deal to Autry group is their ownership in Angels & Rams pro teams—which would be particularly valuable connections if Dodgers go to cable pay TV via Subscription TV Inc. It's understood station grosses $8-9 million annually. Paramount thus leaves station ownership field, though it retains cable pay-TV Telemeter operation in Toronto. One observer speculated that Paramount sold because "you've got to expand in this business or get out," because it wants to concentrate on movies and can use the money. Sole TV-station owner left among the movie moguls is 20th-Century, with KMSP-TV Minneapolis. Broker Howard E. Stark represented Golden West.

FCC's clear-channel decision stands, having been affirmed last week by Appeals Court Judges Fahy, Burger & Wright. Decision had been challenged by WGN Chicago & WJR Detroit, which argued that Commission had modified their licenses by deciding to put another station on their channels and had unreasonably failed to grant clear-channel power increases. Court said FCC reached "a rational and reasonable result." Also, it said, "while the case for higher power is strong, it is as yet unproved to the extent that requires the court to compel the Commission to authorize it."

Ch. 6 Miami (Perrine) should still go to South Fla. Amusement Co., according to recommendation by FCC examiner Forest McClenning. When final CP is granted, Competitor Coral TV Corp. will wind up with the grant under agreement whereby South Fla. gets $60,000 for expenses and its Pres. Sherwin Grossman gets option to acquire 7% of licensee. McClenning concluded that Grossman wasn't culpable in connection with charges by FCC Broadcast Bureau that WBUF-TV Buffalo sent faked letters to Commission when Grossman headed station.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

NEB. PULLS RUG ON INSTALLMENT SALES: Financing crisis has hit Nebraska and likely will spread to other states in wake of State Supreme Court's ruling 2 weeks ago that time installment sales made since 1959 are void if their total interest charges exceed state's usury limit of 9% simple. Voided sales carry stiff penalty: Loss of interest, principal & merchandise.

Nub of controversy is court's ruling, in effect, that time-sale contracts aren't time-sale transactions at all. They're interest-bearing loans. Accordingly, it has ruled unconstitutional state's 1959 Time-Sale Act and substitute 1963 Installment Sales Act which permitted higher than 9% interest rates on certain products—as high as 15% on auto purchases, 12% on other merchandise. Court emphasized that Nebraska Legislature is forbidden by a constitutional provision from enacting any special laws relating to interest. It is empowered only to set maximum interest for all.

Legislature met in emergency session last week to consider 4 remedial bills to take retailers & financial institutions off sharply pointed hook. However, Robert A. Nelson, special assistant to the state attorney general, told us: "In my opinion, I don't think they can do anything about contracts already made and declared invalid. The only action they can take is on contracts made from here on." Concurrence came from Robert J. Newton, corporate counsel for GE Credit Corp. He told us: "In my professional opinion it's beyond the power of the legislature to breathe life into contracts that have been declared invalid."

If they are right, then purchasers since 1959 of an estimated $1 billion of TV sets, autos, appliances, other products are home free with the merchandise, can cease payments on their installment contracts, and can file to recoup payments already made. "They can get back everything involved in the loan, and that's everything but the downpayment," Nelson told us. This leaves retailers & financial houses holding the bag. Which one gets rocked with the devastating loss depends upon terms of contract written between retailer & his financing agency. "In most cases, it probably will be the financing agency," Newton said.

On other side of fence, retailers & financial groups expect legislature to pass remedial bill this week and are hopeful that it will be constitutional. Marvin R. Werve, consumer credit vp for Omaha National Bank told us "there are several cases on the other side of the question that support our viewpoint" that legislative action can breathe life into voided contracts.

Unusual and interesting aspect of Nebraska case is retroactive application and severity of penalty imposed by court, we were told by several sources. Penalties in such cases, they said, usually are on a "from now on" basis. Ruling that time sales actually were loans made to the purchasers, court applied stiff interest-principal-product penalty incorporated in state's 1943 Installment Loan Act. The 1959 Time-Sale Act which was declared unconstitutional carried a penalty of loss of interest plus sum equal to it.

Pending legislative action, time sales in Nebraska now are legal only if difference between cash price and total time-sale price doesn't exceed 9% simple interest. "We've been charging 9% since the court made an initial decision in the matter last June," GECC's Newton told us, "but we can't continue at 9% much longer. We lose money if we do." GECC had been charging approximately 12% on TV sales.

Expected to pass legislature this week, Werve told us, is new interest rate structure carrying these provisions: 9% limit on all non-installment type loans & transactions; 12% for installment lending; higher permissive rates on installment loans of more than $1,500 made by licensed institutions only.

"We're in a state of crisis here in Nebraska," Newton told us, "and this is an emergency in every

sense of the word. However, it's not entirely a one-way street. Some financial interests have helped to create this situation by charging excessive rates." He believes situation has national ramifications, will result in action in other states, particularly those with constitutional provisions similar to Nebraska's. Some 36 other states have some form of time-sale legislation or doctrine and at least 3—Missouri, Washington, Wisconsin—have constitutional provisions forbidding establishment of special interest rates for special products or groups.

"I believe that other states will look into their situations to see if they actually have loans instead of time-sale provisions," Nelson, of the Nebraska attorney general's office also told us. Allen Rogers of National Credit Office told us "I've been talking with some of the big financial companies about this, and while there is some concern about it spreading, it's just too early to tell if it will be a national thing." However, he pointed out, "when you get right down to it you can interpret any credit transaction as a loan. Your wife's revolving credit at the department store could be interpreted as a loan, too."

GECC's Newton also believes Nebraska case "could have national repercussions. It all depends on what the other state courts do. What's especially interesting here is that the Nebraska court in its last case didn't treat with the constitutionality of the state law. Rather, it ruled that if you add a finance price to the cash price, it has to be within the state's usury law. This runs counter to doctrine of the other states."

If no charge is made in Nebraska's present law, he said, "the only way a dealer will be able to operate will be to get banks and finance companies to finance under the small loans law. However, he'll get none of the rate participation and he'll lose that portion of the finance charge that he used to get. His gross margin will then be affected, and he'll have to increase prices. The net result will be that time buyers will pay interest on a higher purchase price."

Interestingly, Nebraska court action was foreseeable 4 years ago. "When Time-Sale Act was passed in 1959," Nelson told us, "the attorney general gave as his opinion that it represented a loan action and was unconstitutional." Newton agreed: "There were ample warnings that the court might declare the Act unconstitutional."

FM RADIO—5 MILLION SETS THIS YEAR: FM market this year is bigger than most people even dream it is. Careful survey of every available source of reliable information indicates that production & imports of FM receiving devices in 1963 will exceed 5 million units.

This is conservative estimate. It represents increase of nearly 2 million over 1962. Good FM business this year, as uncovered in our inquiry, has prompted us to increase substantially the forecast which we made last Jan. that 3.9 million FM receiving devices could be sold this year (Vol. 3:1 p8).

By "FM receiving devices" we mean anything that will pick up FM broadcast stations—table radios, phono or TV combinations, component tuners, etc. We have labeled our current estimates "production," but in view of their conservatism, actual retail sales may well approach or reach 5-million mark.

Biggest percentage increases from 1962 to 1963 are in auto FM and imports. Both figures are rock-bottom estimates. Auto figures largely reflect estimates of original-equipment new-car market, with very small allowance made for after-market.

Import figures come as big surprise. They are based on actual Japanese FM radio production for first 8 months of 1963, which are projected to indicate total Japanese production of at least 1.5 million FM sets for year. Since Japan currently has no regular FM programming and virtually no domestic sales, it has been estimated that perhaps 90% of Japanese FM sets are being exported to U.S. To be on safe side, we used 70% figure and eliminated projected Dec. 1963 production figures from our import estimate entirely. Also ignored were FM imports from other countries (except in component tuner category), which may well be substantial.

For 1964, our FM estimate is 6.4 million sets, again extremely conservative. Imports are biggest unknown quantity in this equation. If Japan has regular FM broadcasting next year (and therefore a domestic market for FM), Japanese FM radio exports to U.S. could well exceed domestic production in over-all table-clock-portable category.

Of this year's 5 million FM receiving devices, we estimate that at least one third (1.5 million) will be FM stereo. This includes slightly more than half of the phono-radio and TV-radio combos and nearly three-quarters of component tuners, plus considerably smaller percentages of domestic and imported table radios. Next year, FM stereo's percentage will increase somewhat, but probably not to more than around 35-37% of total.

Only category in which we show no 1963-to-1964 increase is TV combinations. Implicit in this estimate is belief that TV combos' percentage of market will decline next year, due to increased popularity of color, while FM's percentage of remaining combo market will rise. TV combo figures include both b&w and color.

Based on best industry sources available, here are our estimates of minimum production & imports of FM receiving devices in 1963 & 1964, together with revised estimate of 1962 output:

Type	1962	1963	1964
Table, clock, portable	1,225,000	1,700,000	2,000,000
Phono combinations with FM	1,200,000	1,500,000	1,650,000
TV combinations with FM	280,000	400,000	400,000
Component tuners & tuner-amplifiers*	300,000	350,000	410,000
Automobile FM	75,000	200,000	350,000
Imports (all categories)	200,000	1,000,000	1,600,000
TOTAL	3,280,000	5,150,000	6,410,000

*Includes imports

ANOTHER HOME TV RECORDER—FROM FAIRCHILD: TV set manufacturers will be invited this month to see working model of what may become home video tape recorder, according to spokesman of Fairchild Camera & Instrument Co.

Fairchild engineers have seen British-developed Telcan recorder, scheduled to be demonstrated in U.S. within next month or 2 by U.S. licensee Cinerama (Vol. 3:36 p7), and claim their own approach is better one—although they won't say what it is.

Fairchild, whose only major consumer products are sound movie cameras & projectors, has no plans to market home video tape recorder. "We'd prefer an alliance with one or more major TV manufacturers," spokesman told us, "who would market it as an accessory or part of a TV set. We would like to supply the unit, if anyone is interested, but not to market it."

Recorder is outgrowth of military developments by Fairchild subsidiary Winston Research Corp., W. Los Angeles. Fairchild does intend to build & market professional closed-circuit portable TV tape recorder for commercial, industrial & educational use, and is aiming at $3-5,000 price. Home recorder would be next step, and company is revealing no details or cost information—except to say that it has completed working model for its industry demonstration.

In coming months, you can except to hear more announcements from other companies about home TV tape recorders.

TV-RADIO PRODUCTION: EIA statistics for week ended Oct. 25 (43rd week of 1963) excluding 11-in. and smaller:

	Oct. 19-25	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV	155,442	154,472	136,499	5,820,489	5,434,086
Total radio	480,090	502,809	415,348	14,892,963	15,684,733
Auto radio	202,856	233,799	149,802	6,421,670	5,665,954

8-MONTH SALES FIGURES: Official Aug. sales & production data for TV, radio & phonos, released last week by EIA, confirmed earlier preliminary reports carried in these pages (Vol. 3:38 p9, 42, p8).

While unofficial data already indicate that Sept. was best TV sales month in at least 7 years (Vol. 3:42 p8), and set manufacturers say good business continued through Oct., official statistics show that Aug. TV sales were hot, too.

Excluding color sets and not counting b&w sets 11-in. & under, EIA figures show Aug. TV sales to dealers were 6% higher than in Aug. 1962, while 8-month total stood about 7% above last year's rate. TV production figures disclose that all-channel output in Aug. was slightly more than double the year-ago figure, and for the 8 months it ran 72% ahead of last year. All-channel set output in Aug. was 16% of total TV production, up from 9% in Aug. 1962; for 8 months, all-channel was 14% of total output compared with 8% in same 1962 period.

For first time this year, radio sales to dealers exceeded comparable 1962 month in Aug. (but by very small margin). This isn't considered cause for wild rejoicing—since Aug. 1962 was the month current radio slump started. For first 8 months of year, radio sales are running 16% behind 1962. Preliminary reports for Sept. indicate sales were 10-11% below comparable 1962 month.

Radio continues to have 2 very bright spots—FM & auto. FM output in Aug. was 22% above year-ago figure, while 8-month total was 41% ahead of last year. In Aug., FM comprised 15% of total domestic radio output (excluding auto radio), up from 12% in Aug. 1962. For 8 months, FM was 14% of total non-auto radio production, compared with 8% in 1962 period. Car radio output was 15% above 1962 in Aug., up 11% for 8 months.

Phono business didn't quite come up to record month of Aug. 1962—but it came darn close. In Aug. 1963, distributor-to-dealer phono sales were 2% below comparable 1962 month, while factory sales were down 3%. Total 8-month sales at both levels were up 15% from 1962. Aug. sales were heavier than usual in portable department.

Here are latest EIA figures, to which we have added 1962 comparisons (TV data do not include sets 11-in. & smaller):

xxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxxx

PHONO DISTRIBUTOR SALES

	1963			1962		
Month	Port. & Table	Console	Total	Port. & Table	Console	Total
January	204,073	112,452	316,525	115,998	103,730	219,728
February	192,858	137,114	329,792	130,104	109,316	239,420
March	211,745	134,407	346,152	173,056	126,201	299,257
April	169,478	77,252	246,730	129,175	72,017	201,192
May	129,535	75,513	205,208	136,405	59,159	195,564
June	215,036	100,007	315,043	203,670	70,856	274,526
July	211,645	87,336	298,981	214,007	78,293	292,300
August	283,061	124,287	407,348	281,762	135,026	416,788
TOTAL	1,617,431	848,368	2,465,799	1,384,177	754,598	2,138,775

PHONO FACTORY SALES

	1963			1962		
Month	Port. & Table	Console	Total	Port. & Table	Console	Total
January	205,955	135,741	341,696	137,090	122,469	259,559
February	190,352	149,923	340,275	130,495	124,917	255,412
March	200,571	129,142	329,713	166,408	132,075	298,483
April	165,016	76,190	241,206	120,793	62,309	183,102
May	123,486	62,723	186,209	132,749	54,543	187,292
June	305,946	149,253	455,199	247,932	135,605	383,537
July	230,282	106,766	337,048	220,196	90,197	310,393
August	300,661	125,779	426,440	293,225	148,230	441,455
TOTAL	1,722,269	935,517	2,657,786	1,448,888	870,345	2,319,233

TV-RADIO DISTRIBUTOR SALES

	Black-&-White TV		Radio (excl. auto)	
Month	1963	1962	1963	1962
January	503,821	465,836	453,348	562,869
February	535,999	521,275	616,036	697,893
March	601,797	580,876	818,510	917,236
April	395,166	364,742	637,443	809 499
May	378,215	310,799	598,410	772 479
June	541,810	480,510	811,923	1,040 598
July	448,441	449,528	698,043	921 089
August	549,421	518,451	849,274	848,881
TOTAL	3,954,670	3,692,017	5,482,987	6,570,544

BLACK-&-WHITE TELEVISION PRODUCTION

	Total		All-Channel	
Month	1963	1962	1963	1962
January	484,415	488,869	58,032	39,609
February	557,931	541,494	63,713	46,715
March	696,435	659,251	76,481	48,323
April	548,637	510,587	70,405	51,107
May	507,499	474,647	57,208	39,409
June	665,004	620,653	107,500	50,283
July	384,291	336,409	75,589	28 359
August	565,198	500,693	90,457	44 862
TOTAL	4,409,410	4,132,603	599,385	348,667

RADIO PRODUCTION

	Total		Auto Radio		FM	
Month	1963	1962	1963	1962	1963	1962
January	1,229,507	1,350,630	594,505	530,589	87,641	76,510
February	1,389,652	1,464,797	657,691	480,232	75,544	84,216
March	1,568,381	1,810,417	677,613	607,510	100 940	81,010
April	1,359,769	1,472,654	596,899	519,296	102 208	63,193
May	1,384,063	1,444,074	555,812	504,846	119 756	62,292
June	1,653,866	1,721,873	670,106	629,004	154,818	92,287
July	990,605	1,134,250	331,816	403,946	120,825	68,037
August	1,252,878	1,253,753	489,327	427,747	119,963	98,609
TOTAL	10,828,721	11,652,448	4,573,768	4,103,170	881,695	626,154

Olympic's TV shipments for year's first 9 months were 27% ahead of same 1962 period, Pres. Morris Sobin announced last week. In Sept., he said, TV shipments were 40% ahead of 1962 month, paced by portables & combinations, while hi-fi sales were up 60%, with portables accounting for "substantial portion of the increase." TV shipments Oct. 1-16, he added, equaled total for entire month of Oct. 1962.

Electronic Parts Distributor Show for 1964 will be held May 18-20 at Chicago's Conrad Hilton Hotel, it was announced by Show Corp. Pres. J. A. Milling, of Howard W. Sams & Co.

Three management executives—merchandise mgr., special markets sales mgr., TV product mgr.—are being sought by Sylvania Home & Commercial Electronics Corp. through display ads in trade publications.

Trade Personals

Harold B. Avery, ex-GESCO-Philadelphia gen. mgr., joins Philco as national radio products sales mgr., succeeding **Bruce Lambert**, recently appointed mgr. of Philco Distributors-Philadelphia.

Gene K. Beare, Sylvania pres., elected to NEMA board of governors.

Bernard L. Grossman, ex-consumer products service field sales mgr., appointed RCA Service Co. technical products service market research and development mgr.

Forbes Mann named Ling-Temco-Vought govt. & foreign relations vp... **Gerald G. Griffin** resigns as TelePrompTer mktg. vp.

Brock P. Hayes, ex-Texas Instruments, joins General Instrument as national distributor sales mgr. for semiconductor products.

George Fouser promoted from Audio Devices production control mgr. to product mgr. for sound recording tape & accessories; **Robert Fraser**, ex-Sound Corp. of America, named product mgr. for lubricated tapes & cartridges.

September's boom TV business (Vol. 3:42 p8) is continuing into Oct. Preliminary figures show first 2 weeks of Oct. saw 12% increase in b&w TV sales to dealers, compared with same 1962 weeks (11-in. sets not included). TV mix in b&w continues to show trend to portables & away from consoles. For 1963 to date, portables & table models represented 68.1% of distributor-to-dealer TV sales (vs. 63.5% in comparable 1962 period), consoles 27.2% (vs. 32.3%), combos 4.6% (vs. 4.1%). In terms of screen sizes, 8% of 1963 sales were 16- & 17-in. (vs. 4.4%), 51.5% were 17- & 19-in. (vs. 48.9%), 40.4% were 21-in. & larger (vs. 46.7%).

Radio sales to dealers during Oct.'s first 2 weeks ran 3% below same period last year. Both TV & radio inventories at factory-plus-distributor levels were down as of Oct. 11—TV down 12.5%, radio 9%—from year-earlier levels. (See p. 10 for 8-month TV-radio-phono figures.)

New sets: Muntz's 2nd color TV combination, at about $600, is now being shipped... **Olympic** introduces 37-in.-wide color lowboy in contemporary styling, at open list... **Star-Lite** announces Japanese-made 6-in. transistorized TV at $149.95, battery $13.95 extra... **ITT** will market hi-fi components built by Pioneer Electronic Corp., Tokyo, following successful showing of the equipment at N. Y. High Fidelity Music Show.

Westinghouse and IUE have agreed on basic 3-year contract providing for wage increases averging 13-1/2¢ an hour for 36,000 employes in 34 plants. Longer vacations for 10-&-20 year employes and improved insurance, hospitalization & pension benefits are covered in a 5-year pact. New contract provides 2 pay increases—6-1/2¢ hourly boost immediately, 5-10¢ rise (averaging 7¢) effective April 19, 1965.

Bendix has formed Micrometrical Div. at Ann Arbor, Mich. as part of new scientific-instrument & process-control activity for expansion into field of scientific & industrial instrumentation. Frank W. Kabat named divisional gen. mgr.

Aug. factory sales of TV picture & receiving tubes were downbeat all the way. Unit sales of TV tubes slipped to 767,529 from 795,121 in Aug. 1962. Dollar value dipped to $14,473,647 from $15,035,830. Year-to-date figures also were depressed: 5.8 million tubes at $108.9 million vs. 5.9 million at $113.4 million in 1962's first 8 months. Receiving tube unit sales in Aug. slumped to 31,569,000 from Aug.-1962's 34,646,000. Dollar value was down to $25,785,000 from $29,222,000. Eight-month comparisons showed unit sales down to 220.4 million from 242.3 million in Jan.-Aug. 1962, dollar value $181.6 million vs. $203.2 million a year earlier. Here are EIA official figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	890,246	$16,846,046	27,025,000	$ 22,524,000
February	639,392	11,990,595	26,382,000	22,354,000
March	760,524	14,223,503	30,285,000	25,643,000
April	771,073	14,197,385	26,167,000	21,521,000
May	703,393	12,888,058	26,662,000	21,600,000
June	707,541	13,462,906	29,332,000	23,764,000
July	603,622	10,818,297	22,688,000	18,148,000
August	767,529	14,473,647	31,569,000	25,785,000
Jan.-Aug. 1963	5,840,320	$108,900,438	220,444,000	$181,641,000
Jan.-Aug. 1962	5,916,286	$113,432,881	242,271,000	$203,174,000

Add predictions: Motorola Consumer Products Inc. Pres. Edward R. Taylor, addressing Ill. State Chamber of Commerce last week, estimated 1963 b&w sales at 6.9 million, color at 600,000. For next year, he foresaw 6.2 million b&w, 800,000 color. By 1968, he said, b&w should come back up to 6.7 million, with color sales passing 2-million mark. Taylor said consumer electronics industry needs Quality Stabilization bill—"the bedrock of our retail structure is being forced out of business by ruthless price-cutting." Economic outlook for 1964, he added, is "so pretty, it's ominous." He suggested that this is "a time to be wary, to get inventories in line, to tighten up over-all operations."

Biggest theater party in Broadway history is scheduled by Philco May 25 as part of May 22-26 dealer-distributor convention in N. Y. Sales Promotion Mgr. Owen H. Klepper was in N. Y. last week trying to round up 5,000 tickets to various hit plays. He said tickets would consume about $45,000 of meeting's $1.5 million budget.

Pilot Radio will enter color TV market in late fall with color TV-phono-radio combinations, we were told by Vp-Gen. Mgr. Roland J. Kalb. However, Pilot has changed its mind about making own chassis, now plans to buy color chassis from others, at least at outset.

Magnavox is discontinuing 4 low-end color models as result of color tube shortage (Vol. 3:41 p8). In addition to 3 consoles in $498-$525 range, company is dropping $795 color combo. Its color line now starts with $595 console.

"Greatest local concentration of ad dollars ever allocated by Zenith for a 6-week period" is special added national newspaper & local-level campaign announced last week. Covering Nov. 1-Dec. 15 period, it involves more than $1 million, will promote TV, radio & stereo.

Mergers & acquisitions: **TelePrompTer** stockholders vote Nov. 8 on proposal to sell Weathers, Conley Electronics and Audio Visual Divs. to **B.S.F. Co.**, holding company controlled by Defiance Industries (Vol. 3:35 p12). Latter's Pres. Victor Muscat estimated that Defiance in fiscal 1964, ending June 30, would earn "minimun of 12¢" a Class B share on purchase of TelePrompTer operations ... **Industrial Electronic Hardware** has purchased for undisclosed sum 16-2/3% interest in **Data Communications**, Moorestown, N.J. specialty supplier of data communication equipment... **Outlet Co.** (WJAR-TV Providence, WDBO-TV & WDBO Orlando) has bought subject to approval of boards of both firms, department store assets and business of Shartenberg's Inc., Pawtucket, R.I... **Adler Electronics** stockholders have approved sales of company assets to **Litton Industries** in $9.7 million transaction (Vol. 3:41 p11)... **United Scientific Labs** (DeWald brand hi-fi equipment and Citizen Band transceivers) has been acquired by **Vernitron Corp.**, Farmingdale, N.Y. maker of electromagnetic servo devices, for some $900,000 in stock and cash. One Vernitron common share was exchanged for each 5 of United's publicly-held 416,500 shares. United's management, which held remaining 577,875 of total 974,375 shares outstanding, received "about" $400,000 for their holdings. Seymour Wald continues as pres. of United, which will operate as a Vernitron division... **Ampex** plans to acquire **Mandrel Industries**, Menlo Park, Cal. maker of sorting and geophysical equipment, in stock exchange valued at more than $29 million. If stockholders approve, Ampex would exchange 9 common shares for each 10 of Mandrel's 1,550,044. Terms require acceptance by holders of 80% of Mandrel shares. Mandrel earned $1.3 million on $21.3 million sales last year, would operate as Ampex subsidiary directed by Mandrel Pres. Doyle Mize. Directors of both firms have approved proposed merger, and Ampex Pres. William E. Roberts said it "fits Ampex's plans for diversification." ... **Warwick Electronics** and **Pacific Mercury Electronics** merger has been completed (Vol. 3:38 p12), Warwick Pres. Lawrence G. Haggerty reported. Pacific Mercury will function as a Warwick division. Former's Thomas Organ operation becomes wholly-owned Warwick subsidiary headed by Pres. Joe Benaron, formerly Pacific Mercury pres.

"**With color TV coming of age**, the outlook for set makers is promising although realization of their potential may take longer than some companies estimate," cautioned Oct. 30 "Financial World," adding: "After several false starts color TV finally is coming into focus. But whether this new medium will grow as rapidly as some set makers hopefully predict remains to be seen." Among "possible bottlenecks," magazine noted, are "production problems and high cost." Noting RCA's "rosy expectations" of $750 million industry color sales next year, "World" questioned: "Even assuming the industry solves its production problems, will the public buy color sets at the pace RCA predicts? The answer appears to lie in the area of cost, and there is some doubt that the price of color TV is right yet for a mass market... Barring a major breakthrough in the lab, the growth of color TV more likely will be an evolutionary rather than a revolutionary process."

GE Credit Corp. has formed subsidiary GECC Leasing Corp. to lease industrial electronic & electrical products in all 50 states. C.G. Klock is pres. of leasing concern.

Dividend news: **Texas Instruments** declared 25% stock dividend in addition to customary 20¢ quarterly cash dividend on common stock. Stock dividend certificates will be mailed Dec. 16 to holders of record Nov. 27. Cash payout is payable Dec. 13 to stock of record Nov. 13. TI also plans to increase annual cash dividend rate next year to $1 per share from 80¢ this year... **Wometco Enterprises** declared a 20% stock dividend on its 779,276 Class A shares and 672,863 Class B shares, payable Dec. 23 to stock of record Dec. 2. Quarterly cash dividends of 15¢ & 5-1/2¢ also were declared on outstanding A & B shares, respectively, payable Dec. 16 to holders of record Dec. 2. After issuance of stock dividend, Wometco plans to pay cash dividends on outstanding stock at annual rate of 56¢ on Class A shares, 20¢ on Class B... **Magnavox** has increased quarterly cash dividend to 22-1/2¢ a common share from 17-1/2¢, payable Dec. 14 to holders of record Nov. 25... **Supervised Investors Services**, formerly TV Shares Management Corp., declared semi-annual 20¢ dividend on common stock, payable Nov. 15 to holders of record Oct. 31... **Stewart-Warner** declared 5% common stock dividend in addition to regular quarterly payout of 37-1/2¢, both payable Dec. 11 to stock of record Nov. 15... **International Resistance** declared year-end extra dividend of 5¢ per common share and special 2% stock distribution, in addition to regular 10¢ quarterly cash dividend. Quarterly and extra cash dividends are payable Nov. 29 to holders of record Nov. 15. Stock dividend will be distributed Dec. 20 to holders of record Nov. 15.

"**Corporate profits** seem certain to reach a record high for all of 1963," concluded Oct. 31 "Wall St. Journal" after analysis of 514 corporations showed their combined 3rd-quarter earnings up 15.2% to $2,952,474,000 from $2,562,090,000 in 1962's July-Sept. period. Among large industries anticipating continued gains into 4th quarter is electronics-electric group. Twenty-four firms analyzed in this group boosted 3rd-quarter earnings 14.2% to $138,104,000 from $120,961,000. Twelve were broad-line companies, and their earnings rose 14.9% to $126,123,000 from $109,781,000. Other 12 were specialty firms. Their profits were up 7.2% to $11,981,000 from $11,180,000.

Muntz TV, which closed its 1963 fiscal year Aug. 31 with record $11.8 million sales (Vol. 3:43 p12), produced $10,838,869 of the volume from TV sales, $923,803 from stereo phonos and service parts, $8,401 from miscellaneous income & interest. Comparative year-earlier figures: $10,660,860, $730,405, $10,023. Company's balance sheet showed total current assets of $3,748,135 (including $649,344 cash, $165,121 govt. securities, $922,599 trade accounts receivable) vs. $3,151,329 ($501,506 cash, $215,247 securities, $891,591 receivables) Aug. 31, 1962. Total current liabilities were $1,771,375 vs. $1,107,230 a year earlier.

Radio Shack stockholders will vote Nov. 12 on proposed financial reorganization of the retail & mail-order electronic parts distributing chain, now controlled by Tandy Corp. Among reorganization proposals: Offer of new common stock to present shareholders, followed by a public offer; issuance of new preferred stock; $4.5 million 5-year loan. Radio Shack lost $4.2 million on $14 million sales in its 1963 fiscal year ended last June 30.

GE won "Financial World's" annual gold "Oscar" for best annual report presentation for 2nd successive year. Among silver award recipients: Metromedia. CBS won silver trophy for design & typography.

OFFICERS & DIRECTORS stock transactions as reported to SEC for Aug.:

Allied Artists. Roger Hurlock bought 500, held 39,600.

Ampex. Herbert Brown sold 1,500 in July, held 3,423.

Arvin Industries. Eugene Anderson bought 220, held 1,036. Harold Seigle sold 200 in July, 300 in Aug., held 160.

Avco. James Kerr bought 10,000, held 21,234. John Mihalic Jr. bought 1,668, held 8,100. K. R. Wilson Jr. sold 2,900, held 14,400.

Avnet Electronics. Michael Kletz bought 200, held 812. M. C. Kletz & Co. bought 100, held 1,222.

Capital Cities Bcstg. Harmon Duncan sold 100, held 21,444.

Cinerama. Gerhard Lessman sold 1,000, held 500.

Clevite. M. J. Fleming Jr. sold 400 in July, held 1,230.

CBS. William Fitts Jr. bought 1,800, held 1,800. Kenneth Hoehn bought 688, held 1,688. Clarence Hopper bought 3,000, held 4,483. Lawrence Lowman bought 3,150, held 8,688. Richard Salant bought 5,402, held 5,521.

Decca Records. MCA bought 4,800, held 1,374,667.

Electronics Assistance. Robert Edwards sold 11,000 and bought 11,000 in July, held 297,806.

Electronic Associates. John Fitzpatrick sold 5,000, held 20,000.

Electronic Specialty. C. Ray Harmon bought 10,000, held 26,500.

Emerson Radio & Phonograph. Benjamin Abrams held 287,484; bought 100 in trusts for children, held 29,506; held 1,407 as custodian; bought 200 as trustee, held 4,334; held 72,055 for foundations. Max Abrams held 117,371 plus 5,500 in trust for daughter; bought 700 as trustee, held 16,865; held 72,055 for foundations. Harvey Tullo bought 8,745, held 13,162 plus 2,051 as custodian. Abraham Vogel sold 600, held 3,327.

Globe-Union. William Wanwig bought 100, held 4,780.

Hoffman Electronics. C. E. Underwood bought 200, held 7,300.

Lear-Siegler. Dan W. Burns bought 1,167 in July, held 3,409. K. Robert Hahn bought 184, held 1,466 plus 336 in trusts. Pierpont Hamilton sold 2,400, held 27,121. Jan Oostermeyer bought 200, held 800.

Litton Industries. T. P. Cheatham Jr. sold 150, held 2,597. Glen McDaniel sold 600, held 55,805. Fred Sullivan sold 1,700, held 27,000.

Lynch Corp. (Symphonic). Sol Zweifach sold 1,000, held 14,950 plus 12,800 warrants for common. Mrs. Sol Zweifach sold 1,150, held none, sold 1,200 warrants for common, held none.

Magnavox. Warren Frebel bought 1,227, held 4,241. George F. Smith bought 1,563, held 2,474.

Movielab. Saul Jeffee bought 227,854 Class A common in July, held 228,490, sold 227,854 Class B shares in July, held none.

Muntz TV. Floyd Dana bought 1,000 in July, 500 in Aug., held 7,053. Daniel Domin bought 600, held 31,508.

Outlet Co. (WJAR-TV Providence). George Griffith bought 100, held 900. Bruce Sundlun bought 400, held 2,025.

Pacific Industries. Frederick Anderson sold 500 in July, held 84,200.

RCA. Elmer Engstrom bought 200, held 15,090. Douglas Ewing bought 2,206, held 3,247.

Raytheon. Stanley Lovell bought 500, held 706.

Reeves Bcstg. Harry Petersen sold 1,200, held 30.

Rollins Bcstg. John W. Rollins sold 9,196, held none, sold 15,964 Class B shares, held 184,036 plus 3,500 as guardian. O. Wayne Rollins sold 59,840 Class B shares, held 549,560.

Screen Gems. Lloyd Burns sold 400, held 443.

Stewart-Warner. Frank Ryder bought 200, held 3,366.

TelePrompTer. Paul Garrett bought 2,100, held 11,757.

Thompson Ramo Wooldridge. Robert Bacher bought 100, held 210.

Trans-Lux. Harry Brandt bought 11,900, held 126,350.

Tung-Sol. Purolator Products bought 21,900, held 129,265

United Artists. Eugene Picker bought 100, held 100.

Walt Disney. Roy O. Disney sold 6,800, held 2,061 plus 171,837 in voting trust. Walter E. Disney sold 5,100, held none, plus 147,089 in voting trust.

Warner Bros. Pictures. Serge Semenenko sold 6,000, held 1,200.

Zenith. Nathan Aram sold 400, held 1,275.

Subscription TV Inc. common stock offering of 1,310,000 shares at $12 each has been placed on the market by underwriting group headed by William R. Staats & Co. Additionally, Subscription TV is selling another 390,000 shares direct to certain company shareholders at the public offering price without underwriting discount.

Macfadden-Bartell anticipates 1963 sales of $26 million, up $1 million from previous forecasts. Pres. Lee Bartell also said that anticipated earnings have been revised upward to some $1.5 million, or more than 95¢ a share, from $1 million (63¢). Company earned 10¢ a share in 1962.

Ravenswood Corp. is bankrupt (Vol. 3:41 p11), Federal Judge Roszel C. Thomsen ruled in Baltimore. Annapolis, Md. maker of stereo hi-fi equipment was adjudicated bankrupt after failure to answer involuntary bankruptcy petition filed by 3 creditors.

General Artists Corp. has issued its first public stock offering, 150,000 common shares at $7 each, via underwriting group headed by Burnham & Co.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
AB-PT	1963—9 mo. to Sept. 30	—	—	$ 6,906,000	$ 1.55	—
	1962—9 mo. to Sept. 30	—	—	7,906,000	1.77	—
	1963—qtr. to Sept. 30	—	—	2,333,000	.52	—
	1962—qtr. to Sept. 30	—	—	2,510,000	.56	—
Arvin Industries	1963—9 mo. to Sept. 30	$ 70,874,000	$ 4,484,000	2,096,000	1.60	1,307,342
	1962—9 mo. to Sept. 30	65,542,000	3,683,000	1,748,000	1.34	1,307,342
	1963—qtr. to Sept. 30	24,241,000	1,858,000	884,000	.67	1,307,342
	1962—qtr. to Sept. 30	23,433,000	1,575,000	741,000	.57	1,307,342
Clevite	1963—9 mo. to Sept. 30	76,925,645	9,672,266	4,746,266	2.45[1]	1,903,673
	1962—9 mo. to Sept. 30	75,839,150	9,751,006	4,721,006	2.44[1]	1,893,033
	1963—qtr. to Sept. 30	23,841,844	2,843,174	1,382,174	.71[1]	1,903,673
	1962—qtr. to Sept. 30	22,283,656	1,789,898	841,898	.43[1]	1,893,033
Dynamics Corp. of America	1963—9 mo. to Sept. 30	54,560,753	5,099,043	3,012,456	.78[1]	3,379,836
	1962—9 mo. to Sept. 30[2]	61,038,617	6,834,773	3,156,791	.83[1]	3,335,487
Eitel-McCullough	1963—9 mo. to Sept. 30	19,635,100	—	496,100[3]	.26[3]	1,842,913
	1962—9 mo. to Sept. 30	22,776,900	—	429,800	.23	1,842,913
Globe-Union	1963—9 mo. to Sept. 29	50,530,373	1,900,547	956,547[4]	.72	1,320,325
	1962—9 mo. to Sept. 29	48,768,783	3,241,980	1,736,980[5]	1.32[6]	1,306,893[6]
Indiana General	1963—9 mo. to Sept. 30	17,516,521	1,863,521	982,131	.85	1,150,002
	1962—9 mo. to Sept. 30	19,469,889	3,257,579	1,605,529	1.40	1,150,002
Litton Industries	1963—year to July 31	553,146,239[7]	43,796,403	23,296,107[7]	2.29[1]	10,145,217
	1962—year to July 31	393,807,709	30,849,499	16,315,952	1.64[1]	9,909,407
Muter	1963—9 mo. to Sept. 30	12,158,039	337,127	169,031	.13	1,257,695
	1962—9 mo. to Sept. 30	11,934,232	397,734	197,161	.16[8]	1,199,084[8]
Sparton Corp.	1963—qtr. to Sept. 30	8,613,607	382,381	177,381	.19[1]	919,024
	1962—qtr. to Sept. 30	7,029,103	388,955	178,253	.19[1]	919,024
Stewart-Warner	1963—9 mo. to Sept. 30	97,590,769[7]	—	6,519,626[7]	1.87	3,482,449
	1962—9 mo. to Sept. 30	89,438,613	—	5,756,361	1.65	3,321,421
	1963—qtr. to Sept. 30	31,171,289	—	2,297,138[7]	.66	3,482,449
	1962—qtr. to Sept. 30	28,840,015	—	1,943,385	.56	3,321,421
Storer Bcstg.	1963—9 mo. to Sept. 30	—	—	3,998,826[9]	1.82[9]	2,192,712
	1962—9 mo. to Sept. 30	—	—	4,499,918[10]	1.85[10]	2,438,503
	1963—qtr. to Sept. 30	—	—	1,067,172	.54	2,192,712
	1962—qtr. to Sept. 30	—	—	881,553	.36	2,438,503
Thompson Ramo Wooldridge	1963—9 mo. to Sept. 30	357,073,000[7]	20,710,000	10,249,000	2.66	3,762,954
	1962—9 mo. to Sept. 30	342,197,000	18,803,000	9,109,000	2.38[6]	3,731,310[11]
	1963—qtr. to Sept. 30	116,992,000[7]	6,623,000	3,182,000	.82	3,766,978
	1962—qtr. to Sept. 30	110,607,000	5,472,000	2,694,000	.70[6]	3,750,801[11]
Tung-Sol	1963—39 wks. to Sept. 28	41,208,024	457,551	219,551[12]	.07[1]	928,826
	1962—39 wks. to Sept. 28	49,640,309	1,480,514	713,514	.60[1]	928,826
	1963—13 wks. to Sept. 28	12,286,309	171,942	81,942	.04[1]	928,826
	1962—13 wks. to Sept. 28	14,072,795	(54,121)	(121)[13]	—	928,826

Notes: [1]After preferred dividends. [2]Restated to include acquisition of International Electronic Research (1963) & Waterloo Register (1962). [3]Before nonrecurring net income approximating 11¢ a share from sale of old plant properties. [4]After reduction equal to 7¢ a share of nonrecurring items. [5]After gain of 18¢ a share from special nonrecurring items. [6]Adjusted for Oct.-1962 3-for-2 stock split. [7]Record. [8]Adjusted for Jan.-1963 5% stock dividend. [9]After nonrecurring $256,247 (12¢) loss from disposal of "Miami Beach Daily Sun" June 1963. [10]Includes $911,492 (37¢) net capital gain from sale of radio WWVA Wheeling, W. Va. [11]Adjusted to reflect Jan.-1963 10% stock dividend. [12]Before $1.3 million net losses sustained or estimated to be incurred in connection with discontinuation of certain operations and disposal of inventories and equipment. [13]After $54,000 tax credit.

NAB LIBRARY

WEEKLY

Television Digest

with

Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

NOVEMBER 11, 1963 NEW SERIES VOL. 3, No. 45

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

FCC COMMERCIALS PLAN STUMBLES ON HILL: Commission testimony bombarded. Henry called 'mischievous young man.' Congressmen, except Moss, question FCC's authority & objectives. Harris advises it to find another way. Commissioners insist they have jurisdiction—even those who don't favor plan (p. 1).

BELL NAMED CODE DIR. IN PEACE-PIPE MEETING between Exec. Committee & Pres. Collins. Latter assures group he didn't intend that Code Dir. usurp Board powers (p. 3).

CBS'S FOOT IN CATV DOOR—loan & option to buy in Vancouver, B.C. System has 17,000 subscribers, aims for 70,000-plus in 2 years. Network has no plans for U.S. acquisitions, is exploring more foreign possibilities (p. 3).

NAEB PUSHES COMPUTER-BUILT UHF PLAN, claims more & better assignments than FCC proposal, more flexibility, provision for growth. Commission engineers say added channels placed where no demand exists (p. 4).

NIELSEN TRIES TO STOP RATING LEAKS. NAB & RAB to confer this week on next step in radio study. ARB encounters few 'hold-outs' in price increase. Pulse to use diary technique (p. 5).

Consumer Electronics

MOLECULAR CONSUMER PRODUCT due in 1964—integrated-circuit hearing aid to be first of revolutionary consumer items which use no conventional components; uhf tuner may be next, with molecular radios possible in 1965 (p. 7).

'WINDFALL' TO IMPORTERS could result from 'error' by Tariff Commission which EIA claims has cut picture tube duty from 30% to 12%, with possibility of further reduction in new tariffs; legislation would provide remedy (p. 8).

ZENITH REPORTS best 3rd quarter, best 9 months in sales & profits, all-time records in TV & stereo, color sales nearly double 1962 (p. 11).

NOTICE TO SUBSCRIBERS: We call your attention to the copyright notice at the bottom of this page. Television Digest is a service for the exclusive use of its subscribers. Partial or complete reproduction without permission, for internal or external distribution, is expressly prohibited as a violation of copyright.

Most major organizations take advantage of our group rates to provide key executives with their own copies of Television Digest promptly and at reasonable cost. We will be pleased to supply information on a group package tailored to your company's needs.

FCC COMMERCIALS PLAN STUMBLES ON HILL: FCC ran into no pleasant surprises at House hearings last week on its plan to set limits on commercials. Except for one member (Moss), Subcommittee chaired by Rep. Rogers (D-Tex.) was hostile to idea, challenged Commission's authority. Perhaps most significantly, members wondered where it would all end if FCC ever traveled this road—"program control," "profit control," etc.

Height of Subcommittee annoyance was reached when Rep. Cunningham (R-Neb.) called Chmn. Henry a "mischievous young man." Squeezing maximum out of phrase, Cunningham said Henry was "mischievous" in Omaha, he's "mischievous" now and it's time "somebody's wings were clipped." He said that perhaps Communications Act should be rewritten because it's a "shame" that people have to go to trouble & expense of coming here to "defend their right to make a living."

Exclusive defender of FCC stand was Rep. Moss (D-Cal.), who called Henry's statement "carefully reasoned & responsible." He said to enact legislation—by Rogers & others prohibiting FCC from

Copyright 1963 by Television Digest, Inc. Reproduction in any form, without written permission, prohibited.

setting limits on length & frequency of commercials—would be "most unwise." He said "some stations have gone well beyond the limits of what the public has to put up with." Ironically, Moss is chmn. of House "Freedom of Information" Committee, yet would like to see FCC restrict "freedom of commercials."

Led by Henry, Commission witnesses—all were there except Comr. Hyde—vigorously defended its authority. Even Comr. Ford, one of 3 members who voted against proposal, clearly saw Commission's jurisdiction. And Comr. Loevinger, who arrived at FCC too late to vote on issue, defended FCC powers. He added that although he wasn't commenting on merits of proposal, he thought chances were "slight" that Commission will go ahead with plan as proposed.

FCC said its authority comes from "public interest" provision of Act as well as its powers to classify services of stations (303a) and prescribe nature of service (303b). It also pointed to Supreme Court decisions, claiming if a matter can be dealt with on case-by-case basis, it can be dealt with by rule. Loevinger said if FCC didn't have right in area, it couldn't tell educational stations not to carry commercials. Commission is submitting legal memorandum supporting its view. When Pres. Collins filed NAB's legal brief, Rep. Harris (D-Ark.) said both should be studied carefully.

But Harris had word of caution for FCC. He said he's concerned about "important principle of self-regulation [and] what kind of system we're going to have... Sometimes we get persuaded by complaints... If we proceed with this we may have transition to [British system] and I wouldn't like it... I have faith in free enterprise... I don't know if it's wise to penalize everybody for sake of a few."

Harris also said it's "dangerous trend" when administrative agencies move into area to handle problems not originally conceived of and not written into law. He said FCC might be able to build court case for its authority, but he advised Commission to seek other ways to handle problem "before we extend our arms out beyond what the Act intended."

Commerce Committee chmn. also cautioned broadcasters: Committee has "leaned over backwards" in past to give industry opportunity to police itself. "But in all candor I'm not altogether satisfied. Patience could run out. I cannot too strongly suggest that the industry has got to meet its responsibilities."

Commission isn't "extending jurisdiction," merely implementing present policy, Henry stated. Broadcasters know FCC has policy against over-commercialization, but they don't know how much is too much, Henry said. While strongly advocating definite standards, he also stressed that Commission "has reached no conclusions" on rule-making. He explained choices: Continue case-by-case approach; policy statement with definite guidelines to be employed at renewal time; comprehensive rule dealing with various categories of stations; rule directed only to certain categories with remaining stations treated on case-by-case basis. He backed off from what most people interpreted as FCC's original aim—adoption of NAB Codes.

Rep. Younger (R-Cal.) wanted to know how FCC was going to administer all this when it can't handle present workload. Henry agreed it would be difficult. Younger thought Henry had defeated his own cause, said also he's concerned about stretching "public interest" statute. Younger also asserted he can't see how FCC can set limits on commercials without getting into rate setting, which is forbidden by Act because stations aren't common carriers.

Rogers asserted that the only powers FCC has are those that are affirmatively granted to it by Congress. Rogers asked Henry if it was his position that FCC has carte blanche unless prevented by law? "No," said Henry. "What can't you do?" asked Rogers. "We can't fix rates," answered Henry. Henry said that up to now complaints had been handled by staff, many times through discussion with station personnel. Then why use rule-making when FCC has successfully handled complaints? asked Rogers. "It's been unsuccessful and there have been more commercials," said Henry.

Commenting on Rogers bill, Loevinger said that by specifically prohibiting FCC from setting commercial limits, it is implied that FCC can do anything else not specifically prohibited. Rogers said that view is reversal of statutory construction: "It's that kind of thinking that's going to get this group into trouble."

Rep. Bennett (R-Mich.) thought FCC was getting into judgments as to how much profit a station can make. He also wondered what difference was between regulating commercials and programming, e.g. limiting number of Westerns station can carry. Henry said that's not his intention, but that there's substantial amount of opinion that FCC could control programming. Let's not cross that bridge

now, said Henry. "You want to cross this one before you get to that one," countered Bennett. If there's serious problem of over-commercialization, it's Congress's function to handle it, said Bennett. "If you have that authority, it's dangerous," he said.

NAB's Collins disputed Henry's claim that Code enforcement has deteriorated. He said radio station subscription has increased 14% in past year, that monitoring has improved, that Codes are strongest self-regulatory effort in all private industry. Collins added that he's not satisfied with past efforts, that industry is constantly trying to do better job. Of Henry's criticism of stations for not replying to rule-making with concrete suggestions, Collins said: "If [broadcasters] refuse to accept the principle [of govt. moving into this area] surely it is unfair to charge them with failure to supply alternative courses to an end regarded as both unwise & illegal."

NBC's Peter Kenney outlined legislative history. He said that whenever subject had been raised in Senate or in House, FCC was never given authority. ABC & CBS filed statements. Multitude of broadcasters testified that FCC's plan would create grave economic harm, create chaos because of many varying situations Commission would have to consider. Henry said it could grant "waivers" for individual situations. Collins said this would force FCC into examining station's books.

Stage now switches to Dec. 9 oral argument. One compromise proposal FCC staff is considering would set maximum of commercial time. FCC would spell out its right to inquire about "excesses" without implying any penalty until inquiry was finished. Actually, this is similar to what FCC has done through the years—except that "maximum" was never clearly indicated and it varied without notice, according to mood of Commission at the time—and procedures weren't spelled out.

BELL NAMED CODE DIR. IN PEACE-PIPE MEETING: Strange what a difference a week makes. It had looked as if NAB Exec. Committee and Pres. Collins would have real go-around in Nov. 7 meeting on Code & Code Dir., after Committee Chmn. William Quarton took Collins to task in brusque letter.

But meeting was friendliness itself. Collins pulled geniune surprise by telling group he wished to appoint NAB Vp Howard Bell as Code Dir., succeeding Robert Swezey—and Committee was tickled with selection, having great confidence in Bell. In addition, Collins said he was guilty of poor choice of words when he had said that Code Dir. should have "vast powers." "Vast" has "a bad meaning in this industry," Collins said, and he told Committee he had never meant to imply that Code Dir. should usurp Code Board powers.

So everyone appeared pretty happy about whole thing. Bell is much respected in industry, has been with NAB since 1951, is now vp for planning & development. He holds degrees in journalism & law, takes over Dec. 1. Collins hasn't decided who'll assume his chores. "He is a man of high idealism & intelligence," Collins said. "He has the courage of his convictions and works tremendously hard to do well everything he undertakes."

"I'm very optimistic," Collins told us. "I think we'll have a program that will prove very meaningful, one that broadcasters will support."

CBS'S FOOT IN CATV DOOR: First network to get into community antenna business, albeit modestly, is CBS—which took a dip into field by lending "substantial amount" to Vancouver, B.C. system and obtaining option to buy up to 100%.

It's Vancouver Cablevision Ltd., which consolidated several city systems last year into 17,000-connection organization. CBS's loan is for expansion purposes. Firm also owns relatively new system, 1,400 subscribers, in Victoria—but this isn't involved in CBS deal.

Merle S. Jones, CBS TV Stations Div. pres., handled deal, said, in response to our questions: "The loan is substantial and will become more substantial if we exercise the option, which expires Jan. 1. We could acquire up to 100%. Vancouver Cablevision is looking into other areas. If they go into them, they will expose us to them—and we'll react. Reports that we have loaned $1 million are not correct. That's too high.

"We have no plans for U.S. CATV investment. We're definitely interested in other countries if opportunities are presented. I suppose that's because my principal responsibilities for investment are in foreign countries.

"Will this serve as a guinea pig for network-station-CATV relationships? I suppose it will, but that wasn't our purpose. I suppose CATV prices will jump more now."

Pres. of Vancouver outfit is Sydney Welsh who gave us these responses to our inquiry: "We now have 17,000 homes. Within 2 years, we expect to expand to be in front of 120,000 homes, and, conservatively, get a 60-70% saturation. We charge $15 for connection, plus $5 a month. We provide 7 channels, plus 5 FMs and background music. We'll offer a weather video channel, too. We carried the Patterson-Liston fight at no charge, and we'll offer other fights, etc., at no charge."

Two systems in Montreal, about 30,000 each, are the only systems larger in Canada. In Victoria, company expects to obtain about 17,000 subscribers out of 28,000 homes within cable reach; 21 FMs are offered there, in addition to TV. Welsh and associates are also interested in systems in Port Coquitlam & Squamish, are exploring communities in Frazier Valley.

Asked how he expects to corral 70-80,000 subscribers in Vancouver in 2 years, after reaching only 17,000 in 4-11 years (started in different parts of city at different times, bought out older system) Welsh said surveys have satisfied him that demand is there and that "people have been educated in the last few years to know what we offer."

There's no govt. or legal impediment to acquisition of Canadian CATVs by foreign investors, according to Welsh: "We see no problems there."

NAEB PUSHES COMPUTER-BUILT UHF PLAN: Allocation by computer may be here—or near. National Assn. of Educational Bcstrs. has released complete national uhf plan, claims it superior to FCC's recent proposal (Vol. 3:43 p3), asks Commission to expose it to industry comments in rule-making proceeding.

Plan has 2,567 uhf assignments (909 ETV) vs. FCC's proposed 1,979 (604 ETV). It leaves all uhf & vhf stations & CPs undisturbed, takes into account all FCC mileage standards, "taboos," Canadian & Mexican agreements.

NAEB says plan puts channels "precisely where they are needed, and the most usable frequencies of the spectrum have been distributed with greater efficiency than has heretofore been possible... there is still flexibility remaining in the assignment plan."

NAEB offers FCC its taped data "for whatever modification or further exploration may be desired." Material would have to be reworked to feed it to FCC's Univac, which is in final stages of installation. Burroughs 220 computer was used.

Report is presented well, includes city-by-city vhf & uhf assignments. Copies are available from NAEB, 1346 Connecticut Ave., Washington.

Some FCC engineers say they're disappointed with results. Principal criticisms: "They produced more assignments by putting them were no one wants them. Anyone can do that. Why, they've got them in towns of 100 & 200 population. They don't do anything for cities where the demand is greatest. There's too little flexibility, leaving too little leeway for accomodation to FAA tower location restrictions. They say they aren't favoring ETV with low uhf channels, but they give ETV 56 of the 69 Ch. 14 assignments. They didn't try things we suggested, so that they could test some of our ideas and compare them with theirs." But Commission engineers are enthusiastic about idea of using computer, agreeing that concepts can be tested in hours instead of months.

Work was done by Jansky & Bailey div. of Atlantic Research Corp., by engineers Oscar Reed, Kenneth Heisler, William Weakley. NAEB Project Dir. is Vernon Bronson, Assoc. Dir. James Fellows. It was financed by $40,000 grant from HEW, and NAEB hopes HEW will grant more for future similar work.

* * * * *

Talking about allocations, uhf enthusiast William Putnam, WWLP Springfield, Mass., submitted satirical petition to FCC, asking for short-spaced Ch. 7 drop-ins for Sacramento-Stockton, Cal.; Danville-Champaign, Ill.; Scranton-Wilkes-Barre, Pa. Each is short-spaced, by strange coincidence, only with ABC's o&o's in San Francisco, Chicago, N. Y.

NIELSEN TRIES TO STOP RATING LEAKS: Nielsen has taken action to block release of network TV ratings—such as those triggering "sweepstakes" stories in print 2 weeks ago (Vol. 3:44 p2). It has huddled with network officials, will include prominent warnings in 30-market & national TV reports. Only top 10 ratings are released to public. Other ratings developments:

(1) RAB officials, following Nov. 12 board meeting in Washington, will confer with NAB on next step to implement their agreement for partnering radio methodology study, now that NAB board has approved (Vol. 3:44 p2). Date will be set for first meeting of 10-man steering committee including: One member each from RAB & NAB staffs; 2 each from station management representing both associations; 2 each, representing professional researchers. Committee will select 11th man to serve as chmn.

(2) Rating Council subcommittees, by Nov. 15, are to recommend man to head Council and supply names of audit companies competing to handle validation of rating service performance. It's pretty definite now that AAAA & ANA won't become members of Rating Council board, will retain present "observer" status.

(3) Response to ARB's cost increase in local TV reports has been better than expected. It went into effect Sept. 1, following average 59% increase in all samples. Spokesman said many stations are encouraging rater to improve service, stated only about dozen subscribers aren't renewing.

(4) Pulse announced it's new Qualitative Personal Diary technique is now ready for syndication. Though tested in TV, it will be used in radio. This is departure for Pulse, which up to now has used personal interview method. Diaries will be placed personally, collected by mail.

FCC was castigated by columnist David Lawrence last week for ruling in Ky. Breathitt-Nunn race for governor (Vol. 3:44 p5). Campaigners for GOP candidate Nunn had quoted from President's news conference in spots sent to stations. FCC concluded quote was a distortion, advised stations that "fairness doctrine" applied. Lawrence asserted that FCC has no business judging whether "distortion" was present, that it was up to President to clarify, that FCC's job was merely to tell stations they weren't required to carry the spots because "there is no personal use of station facilities by a candidate involved." (Breathitt won by narrow margin; Nunn is questioning count.)

"Look" article "What TV Violence Can Do to Your Child" was disputed by TIO which says that researchers, commenting on study featured in article, question conclusions in at least 2 of 4 experiments. "All that is demonstrated is that the children remembered what they had seen and imitated some aspects of it in the laboratory immediately following exposure," TIO states. "Experiments reported hardly provide support for the assertion that techniques of aggression are stored for future use."

Vhf drop-ins & CATV regulation, among major matters pending, weren't discussed by FCC last week. New sessions were scheduled in couple weeks.

NBC donates $250,000 to Community TV of Southern Cal. for ETV uhf in Los Angeles.

Pay-TV committee, similar to other specialized committees, has been formed by FCC: Loevinger, chmn.; Lee & Cox. Purpose, according to Chmn. Henry: "To stay abreast of developments. We need to watch the on-air developments, the pay-TV aspects of CATV, the California developments in Los Angeles & San Francisco, etc. We're nearing the time when we'll have to consider 'regularization' of the Hartford experiment, for example."

Fifth Local Public Service Programming Conference, sponsored by Group W, runs Nov. 10-13 in Cleveland. Secy. of State Dean Rusk is to brief delegates on world affairs, FCC Chmn. Henry to be a principal speaker, HEW Comr. Francis Keppel also will attend. Theme is "Communications and Communities." Panels: "Perspective on News;" expanded TV news formats; how broadcasters communicate with community; "Needs and Taste: Meeting the Challenge"; art of TV & radio documentary; problems & potentials of live programming.

FCC is intimidating radio stations with fairness doctrine, according to Sen. Thurmond (D-S.C.). He said conservative "Manion Forum" program has felt adverse effects. Many stations hesitate to carry program because they would have to provide time to the opposition, he charged. "It would be well to begin applying the doctrine with the broadcasts of the networks because of [their monopoly] on national broadcasting," Thurmond said. He called these broadcasts "left wing."

New king of tall towers is 2,063-ft. structure of KEND-TV (Ch. 11) Fargo, which completed fixing GE antenna to Kline steelwork in 25 min. on Nov. 8—accompanied by click of "Life" magazine cameras. Station aims for Dec. 31 start. Tower will also support Ch. 2 antenna of ETV station to be built by U. of N. D. & N. D. State U. Installation will put principal-city signal into Fargo, Grand Forks & Valley City. Smithsonian Institution plans to place model of facilities in exhibit on broadcasting.

"Big brother move on the part of the federal administration" is reaction of Sen. Curtis (R-Neb.) to FCC Chmn. Henry's report on Omaha local-live hearing (Vol. 3:43 p1). "I long have subscribed," he said, "to the basic principle upon which the nation's communications policy was established: That the govt. should confine its power & jurisdiction to controlling the traffic and regulating the technical aspects."

Request that FCC suspend license fees, due to start Jan. 1, "until further action by Congress" was made last week by Rep. Rogers (D-Tex.). He noted that his hearings questioning FCC's authority aren't scheduled until early part of 1964. Commission plans reply shortly.

New CATV system for Ocean City, N.J. is being built for H & B American by Jerrold. Costing more than $250,000, system will distribute 4 channels from Philadelphia, 4 from N. Y. Partial service will be available by March, full service by May.

Bill allowing appeals from FCC decisions to be tried in U. S. court of appeals where appellant resides, rather than in Washington, introduced by Rep. Ashmore (D-S. C.) (HR-9031).

"Heart Beat," TvB's new half-hour film examining successful TV commercial production techniques, will be shown Nov. 20, as part of 9th annual membership meeting in Chicago Nov. 19-21.

Personals

Jesse Zousmer, ex-CBS News editor & co-producer of "Person to Person," named ABC News TV news dir.

AB-PT Pres. **Leonard Goldenson** to receive IRTS 1964 Gold Medal March 4... **Charles H. Crutchfield**, Jefferson Standard Bcstg. pres., celebrates 30 years with company.

Thomas J. McDermott, N.W. Ayer radio-TV vp, elected pres., International Radio & TV Foundation, succeeding **William K. McDaniel**, NBC Radio exec. vp.

Cyril Wagner promoted from mgr. to dir., NBC Central Sales, Chicago... **Jack Delaney** promoted to news dir., WTEV Providence-New Bedford.

Everett N. Case, Alfred P. Sloan Foundation pres., elected 1964 NET chmn... **H. Meade Alcorn Jr.**, ex-Republican national chmn., rejoins CBS News Election Unit as political consultant.

Warren A. Kraetzer, NET development vp & secy., appointed exec. vp & gen. mgr., ETVs WHYY-TV Wilmington, WUHY-TV-FM Philadelphia, succeeding **Richard S. Burdick**, who becomes gen. mgr., Boston Bcstrs., commercial Ch. 5 applicant.

Dr. Ron R. Browne appointed asst. broadcasting professor, Boston U.; **Walter P. Sheppard** named asst. broadcasting professor & WBUR-FM faculty program dir.

Gerald Flesher, ex-WCBS-TV N.Y., appointed sales promotion mgr., ABC-TV Spot Sales... **Donald C. Bowen**, ex-ABC-TV Spot Sales, N.Y., named sales dir., WBKB Chicago.

Robert J. Kizer, Avery-Knodel TV sales vp, elected senior vp; **John S. Stewart**, radio sales dir., elected vp; **F. Robert Kalthoff**, midwest TV sales mgr., named vp.

C.C. (Bud) Bowlin, ex-national sales rep, WCSH-TV Portland, appointed Boston mgr., Katz Agency... **John T. King** appointed Boston mgr., Metro Radio Sales.

Obituary

George T. (Ted) Baker, 62, former chmn. of National Airlines, died of heart attack in Vienna, Austria, Nov. 4. Tough airline pioneer, he was one of few remaining principals of famed Miami Ch. 10 "influence" case. National won Ch. 10 in hearing, later lost it on grounds former FCC Comr. Richard Mack had been "reached" with off-the-record persuasion. Since the original Ch. 10 hearing, following other principals of applicants died: L.B. Wilson (whose firm now holds Ch. 10); A. Frank Katzentine, WKAT; Walter Compton, North Dade Video; attorney Thurman Whiteside. Baker's survivors are widow & daughter.

Govt. "must be wary of any measure that would impair the interaction of the broadcaster's freedom of expression and the public's freedom of choice, or would undermine the medium's economic viability," NBC Chmn. Sarnoff said in accepting honorary doctor of literature degree and 1963 Joseph E. Connor Memorial Award for excellence in communications, from Boston's Emerson College.

NBC Radio presented Library of Congress with 13 tapes of series "Toscanini—the Man Behind the Legend." Presentation was made by Walter Toscanini, son of the late maestro.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington, D.C. 20006
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N.Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

BPA convention agenda, at San Francisco's Jack Tar Hotel: Nov. 18—Management Looks at Promotion, Agency Presentations, Merchandising That Clicked, Promoting Specials & Sports Programs, Graphic Arts in Promotion. Nov. 19—Humor in Broadcasting, Humor in Radio, Humor in TV, Publicity Problems of Radio Stations, Promoting Movies for TV, cocktail party sponsored by trade press, banquet. Nov. 20—Role of the Spot Representative, Which Way Up?

Ten uhf ETV stations are sought by Ky. State Board of Education, which filed applications for 8 last week: Bowling Green Ch. 17, Covington 54, Hazard 33, Lexington 46, Madisonville 26, Morehead 36, Murray 33, Somerset 29. It will file soon for Ashland 78, Pikeville 14.

ETV plans for Idaho, Montana, Oregon, Washington, Alaska discussed at Nov. 8 Conference conducted by Washington State ETV Commission, addressed by John J. Hurley deputy asst. to HEW Under Secretary for ETV.

ABC International TV is named sales rep & program purchasing agent for Syrian Arabic TV, with Damascus flagship station plus 3 repeaters. Syria has about 30,000 sets.

Sale of WDEF-TV (Ch. 12) Chattanooga, to Roy H. Park Bcstg. of Tenn Inc. for $2,780,080 has been negotiated. Stockholders have 60 days from Oct. 29 to approve. Park owns WNCT (TV) Greenville, N.C.

Metromedia increases outdoor holdings with $13.5 million cash purchase of General Outdoor's N.Y. & Chicago plants. It owns big Foster & Kleiser on West Coast.

First live colorcast on ABC-TV will be New Year's Day pickup from WFIL-TV of Philadelphia's annual Mummers Parade.

To alert public to its offerings, ETV WNDT N.Y. will let critics preview film & tape programs on request.

Advertising Time Sales moves Feb. 1 to 777 Third Ave., N.Y.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

MOLECULAR CONSUMER PRODUCT DUE IN '64: First consumer product of the molecular revolution is almost certain to make its debut next year. It will be integrated-circuit hearing aid, made without conventional components. Hearing-aid companies obviously are in terrific competition to be first with this development, which could put all of instrument's electronics inside tiny earplug.

Following hearing aid by about year will come first major entertainment electronics uses of integrated circuits—possibly beginning with highly efficient low-noise uhf tuners—and 1965-6 should see start of complete revolution in radio. Many in industry, in fact, see in molecular electronics golden opportunity for American manufacturers to recapture U. S. radio market.

In short interval since our last report in Feb. (Vol. 3:5 p7), molecular electronics has grown from a science & technology to a full-fledged booming industry. Military has latched firmly onto this new field, not only because of miniaturization & ultra-reliability it supplies, but because micro-circuitry already offers cost savings over conventional techniques.

Molecular electronics, or micro-electronics, or integrated circuitry, is outgrowth of transistor technology, and involves fabrication of entire semiconductor circuits—transistors, diodes, resistors, capacitors, etc.—in one single integral unit, virtually eliminating connections & conventional components.

Perhaps most consumer-oriented of the hundreds of companies now in the business is Westinghouse, whose Molecular Electronics Div. has already shipped several thousand sample molecular circuits to consumer product manufacturers for study. Mgr. Harry Knowles told us that sudden "almost panicky breakout" into molecular electronics by military & NASA may well delay original plans to phase into consumer end-product market next year, that now major consumer applications will probably be shelved until at least late 1964, possibly well into 1965.

"All of a sudden it's a real business," said Knowles. "It's different from the transistor business, which started at high-priced levels. There's absolutely no fat in the pricing. Cost-cutting is going on in production activities, and prices are coming down fast. Major complex blocks [circuits] are now being produced for Defense Dept. for less than $10. Within a few years it will completely inundate the consumer market. After the hearing aid, the next molecular product will probably be hi-fi components, then radio—and radio as we know it today will soon be gone."

Texas Instruments integrated circuit Marketing Mgr. Charles Phipps agreed that first consumer uses will be those where costs aren't major consideration—first hearing aids within year, then hi-fi audio amplifiers, possibly in 2 years. Some technical problems still remain in radio field. "We're presently coming into the stage where integrated circuits are becoming economically competitive with conventional circuits in industrial equipment," he said. Military order pickup, he added, will help consumer applications because of increased R&D, production experience.

Fairchild Semiconductor consumer product Mgr. Christopher Coburn also saw major consumer applications beginning in '65. "There are many technical problems which must be solved by then," he added. However, he predicted that low-cost, low-noise uhf tuner was real possibility as first consumer item after hearing aid. He forecast that consumer & industrial applications of molecular electronics would grow up together. "The prime idea of the integrated circuit," he said, "is that its cost is already cheaper in military items; this is bound to be reflected in consumer goods."

Texas Instruments' Phipps suggested that new technology should make possible all kinds of new consumer applications which don't exist now—tiny controls, timers, etc. for appliances and other uses. He also foresaw possibility of tiny fixed-channel radios, each adjusted to different station, and designed to be thrown away when they stop working.

In terms of conventional radios, there's strong feeling that integrated circuitry could solve im-

port problem—if U. S. industry grabs it and grabs it fast—for these reasons: (1) This country is well ahead of Japan in integrated circuits. (2) Automatically produced molecular circuits should have such low labor content that foreign wage scales give importers no advantages. Integrated circuits themselves require no soldering, no hook-up, virtually no hand labor—except in hooking them together.

Among products which would be made possible by integrated circuits would be such items as complete FM stereo receiver contained in pair of eyeglasses, powerful AM radio (except for speaker) built into ring, eventually (probably late this decade) pocket TV sets.

Mighty Mo is here—and first profound changes in consumer equipment probably will begin to show up within 12 months.

'WINDFALL' TO PICTURE TUBE IMPORTERS? Quiet fight to rectify "mistake" which could cut import duties on foreign picture tubes from traditional 30% down to 6% has shifted from Tariff Commission to Congress.

Change in tariff schedules this summer has already slashed duties on picture tubes from 30% to 12%—as result of what EIA calls "staff error" within Tariff Commission. Further cut may be in store as result of Administration tariff reduction hearings scheduled to begin next month, since picture tubes are on list of items which are being considered for cuts of up to 50%.

In this case, action isn't aimed at stemming low-priced competition from Japan—at least, immediately. Only major picture tube imports have been from Holland, whose mighty Philips combine has been shipping 23-in. b&w tubes to this country all through 1963, most or all of them being purchased by Motorola (Vol. 3:15 p8, 32 p11). It appears that Philips (and its U.S. importer Amperex) has been beneficiary of 60% "windfall" tariff cut which took effect Aug. 31. Philips & Amperex officials were not available for comment last week.

Here's history of situation: Under tariff simplification act of 1962, tariff schedules used since 1930 were updated & reclassified, although no changes in rates were supposed to have been made. In old schedules, there was no specific classification for picture tubes. New schedules, which went into effect last Aug. 31, contain "cathode ray tube" category, on which ad valorem tariff is listed as 12%.

EIA maintains that picture tubes were taxed under old schedule as articles whose chief value is represented by glass, with tariff of 30%—and in compiling new schedules Tariff Commission staff members erroneously considered picture tubes as items whose chief value is in electronic metal, which subjects them to only 12% duty. In response to formal inquiry by National Video, Rauland, Sylvania & Westinghouse, Customs Bureau July 18 advised that its practice then was to levy 30% duty on picture tubes, according to EIA's attorney Eugene L. Stewart.

EIA group then petitioned Tariff Commission to correct rate of duty under new schedule, but was advised that timetable didn't permit Commission to go through the customary public notice, hearings, etc. in time to complete its work by mandatory Aug. 31 deadline.

Only avenue left open was legislative. Eight bills have been introduced in House to change 12% figure in schedule to 30%—all by members (5 democrats, 3 republicans) of House Ways & Means Committee, which is in charge of tariff legislation. To back up its case, EIA has made studies showing that in principal picture-tube sizes, glass represents chief value.

Although correcting legislation is considered to have excellent chance of passage, fact remains that picture tube import duty has been cut by 60% as of Aug. 31. Prospect of another cut is implicit in tariff hearings beginning next month. Industry hopes that in tariff cut hearings it will be working to defend base of 30%—not 12%.

TV-RADIO PRODUCTION: EIA statistics for week ended Nov. 1 (44th week of 1963) excluding 11-in. and smaller:

	Oct. 26-Nov. 1	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV...	151,385	155,442	139,376	5,971,874	5,578,637
Total radio	457,514	480,090	455,235	15,350,477	16,140,367
Auto radio.....	208,768	202,856	183,190	6,630,438	5,849,172

If FTC still wants to define "high fidelity," apparently it's going to have to go ahead without advice of industry organizations. Latest developments in Commission's quest for proposals: (1) Audio Engineering Society formally told FTC "we believe that at the present time no sound basis exists for attempting to define the term 'high fidelity' and that no attempt should be made to formulate an official definition." (2) Institute of High Fidelity members disagreed so sharply that matter was turned over to committee, which has made no report. EIA, in submitting proposed definition early this year to cover packaged hi fi, was careful to tell Commission that it did not endorse definition, but merely passed it on.

TV sets will be in 94% of U. S. homes by 1969, up from 91% today, Allen W. Dawson, Corning Glass vp and TV Products Div. gen. mgr. forecast. He termed TV industry's 1964 outlook "excellent," noted that Corning has increased employment to 1,000 from 700 this year at its Albion, Mich. TV bulb plant because of increased business.

All-channel rules are waived, FCC informed Motorola, for 357 sets going to 3 hospitals—because Motorola gives assurance receivers will be adjusted to get all channels—present & future—via cable distribution system.

National Video is now turning out "controlled small production runs" of 23-in. rectangular 90° color tubes—said to be in the "hundreds a week." Company claims to have licked major problems, now is well satisfied with end-product. Although Motorola has first call on tube, company now believes it will be able to supply other companies with color tubes next year. National Video's b&w tube business is up; last month was biggest in company's history in terms of picture tube output.

RCA will build $2.5 million, 200,000-sq.-ft. facility on 100-acre site in Camden, N. J. area "to house the world's largest electronic parts depot," Group Exec. Vp Arthur L. Malcarney announced. Building, slated for completion by late 1964, also will serve as hq of RCA Parts & Accessories operation which provides replacement parts for RCA consumer, industrial & data processing equipment. Facility will include RCA 301 computer to speed parts service.

Westinghouse and IBEW have agreed on 3-year wage and 5-year fringe benefit contracts similar to pacts recently concluded with IUE (Vol. 3:44 p11). Subject to ratification by locals by Nov. 25 deadline, proposed agreement would cover 12,000 employes at 44 locations, provide 2 wage increases in 3 years averaging total 13-1/2¢ an hour, 3 weeks vacation after 10 years' service, increased insurance, retirement and layoff benefits.

Free world's electronics output will climb to $47 billion a year by 1970 from 1961's level of $22 billion, Ampex Pres. William E. Roberts told National Electronics Conference in Chicago. He listed 6 most rapidly developing areas of electronics as materials science, microwave electronics, cryogenics, bionics, quantum-mechanics technology & associated electro-optical devices, new energy sources.

Dominion Electrohome will build $6.5 million 860,-000-sq.-ft. manufacturing plant on 60-acre site at Kitchener, Ont. to keep pace with increasing sales which have jumped 50% in past 2 years and are expected to top $25 million this year. Dominion's 1962 sales approximated $21.2 million. Building will be completed in 3 stages over next 3 years.

Add QS opposition: White House Council of Economic Advisers last week lashed out at Quality Stabilization legislation pending in Congress, declared that elimination of price competition at retail level would produce new headaches for dealers & manufacturers. Among them: higher retailing costs as dealers turn to more service, advertising & fancier fixtures to lure customers; increase in dealers and resultant increased competition; difficulty of small manufacturers to retain dealers in face of "strong incentives" of higher markups & more ad support offered by larger manufacturers. Among over-all results, CEA noted, "This competition would eventually reduce the average retailer's net profit margin back to its pre-price-maintenance level. But prices to consumers would not be lowered."

Big contract for 75,000 radios and RF distribution systems for more than 2,000 Greyhound buses has been received by Motorola. Bus company will equip 200 of its east coast Super Scenicruisers by year's end, 1,945 buses next year. System provides each rider with individual AM station selector and sanitary disposable earphones. Each bus will have external antenna and RF distribution amplifier. Dual-level Scenicruisers will have 42 radios, single-level buses 36.

TV service policies returning? Macy's N. Y. is experimenting with pre-paid plan for TV sets, regardless of make or where purchased. It advertises 3 policies: (1) Covers all parts & tubes except picture tube; home service calls $3.95; shop labor & pickup, $13.94; annual charge $14.94. (2) Same as Plan 1, except that b&w picture tube (non-bonded, up to 21-in.) is covered instead of all other parts; $14.94. (3) Combination of Plans 1 & 2; charge $25.

RCA has kicked off institutional ad campaign which "will tell the public some of the many ways in which RCA has become a part of their lives by dramatizing the company's great breadth in electronics in relation to the reader's own self-interest & everyday experience," Ralston H. Coffin, ad & sales promotion staff vp, reported. Themed "RCA Is a Part of Your Life," campaign utilizes network TV and national magazine inserts. Agency: J. Walter Thompson.

Taxi TV: Chicago's Flash Cab Co. has installed 5-in. tinyvision TVs in 40 of its 285 cabs, is so pleased with results that 60 additional cabs will be equipped. Pres. Arthur Deckholtz said: "The response has been tremendous. The drivers say they get bigger tips." TV is mounted on rear of driver's seat. Special speaker is installed behind rear seat to minimize distraction for driver.

Automobile tape player, designed to accommodate continuous-loop cartridges, will be marketed through dealers at $119.95 by J. Herbert Orr Enterprises, Opelika, Ala. Pre-recorded cartridges for Orrtronic AutoMate Tapette will retail at $7.95 (full hour) & $5.95 (half-hour).

Capehart is assembling Panasonic hi-fi consoles for Matsushita of America, Capehart Pres. Roy J. Benecchi told stockholders meeting in N. Y. Capehart also plans to produce phono line under own name later this year, Benecchi said, predicting company would make "a real dent in the consumer field."

New organization for service dealers is being formed under aegis of NARDA. To be designed NARDA Service Div., it will be open to any independent TV or appliance service dealer, including non-members of NARDA.

Trade Personals

Chris J. Witting Jr., Westinghouse vp, formerly in charge of consumer products, has been placed on special assignment, reporting to **Ronald N. Campbell**, exec. vp in charge of industrial, construction & construction groups, who now assumes direct-line responsibility for consumer group.

Arthur Richenthal elected chmn. & chief executive officer of Standard Kollsman Industries, succeeding James O. Burke, who died Oct. 14 (Vol. 3:42 p11); **James W. Burke**, son of late chairman & pres., former asst. to pres., named vp & tuner div. gen. mgr.

John L. Hanigan, onetime Corning Glass Electrical Products Div. vp-gen. mgr., resigns as Dow Corning exec. vp-gen. mgr. to become pres. of Brunswick Corp., Chicago.

Carroll R. Miner, ex-Sarkes Tarzian, onetime Hoffman Electronics Consumer Products Div. chief engineer and GE TV set design engineering mgr., joins General Instrument's F.W. Sickles Div. as engineering dir., Chicopee, Mass. plant.

Frank M. Folsom, RCA exec. committee chmn., awarded Catholic Actors Guild of America's George W. Buck Memorial Award for contributions to acting profession.

Chris H. Bartlett appointed Westinghouse Southeast region mktg. vp, succeeding **P. T. Lagrone,** who retires Feb. 1.

James L. Myers named GE Radio Receiver Dept. finance mgr., succeeding **Herbert J. Connelly,** appointed finance mgr. for GE's Mississippi test support operation.

Gerry M. Mills named Centralab mktg. mgr... **Ralph R. Papitto** elected Glass-Tite Industries chmn.

Richard F. O'Brion appointed Ampex Consumer Products Div. eastern region sales mgr.; **John C. Dews,** midwestern region sales mgr.; **Paul M. Chalfant,** western region sales mgr.

Charles R. Gray & **Carl I. Swanson,** both formerly Philco, join International Resistance as microcircuit application development mgr. and microcircuit customer services mgr., respectively, both new posts.

Obituaries

Charles M. Mooney, 50, vp of RCA's Federal Govt. Systems Support Div., Washington, died Nov. 3 of heart attack while vacationing at Farmington Club, Charlottesville, Va. He joined RCA early this year after serving as vp with IT&T. He is survived by wife, 2 sons, daughter, sister.

Watson P. Dutton, 62, RCA special projects administrator, Defense Electronics Products Div., died Nov. 4 of heart attack at Arlington, Va. home. He'd been with firm 32 years. He is survived by widow, daughter, 2 sons.

Theophilus F. Barton, 77, retired GE engineer and sales executive, died Oct. 31 in Mary Imogene Bassett Hospital, Cooperstown, N. Y. He had been with GE 44 years, was a commercial vp & N. Y. district mgr. when he retired in 1950. He is survived by widow & daughter.

Mrs. Goldie J. B. Cohen, wife of Monte Cohen, General Instrument vice chairman, died Nov. 7 at Mass. General Hospital, Boston.

DISTRIBUTOR NOTES: Andrea Radio appoints **Newton A. Chanin,** Empire Bldg., Long Island City, N. Y., sales rep for Maryland, Washington, D. C., Virginia & Delaware (excepting New Castle County)... **Philco Distributors-N. Y.** appoints **Harvey J. Weinstein** key accounts mgr... **Joseph P. Maloney** elected pres. of RCA distributor The Eastern Co., Cambridge, Mass., succeeding **Alan Steinert** who continues as treas. and moves up to new post of chmn... **International Resistance** appoints **Avnet Electronics** distributor for resistor and control products in N. Y. metropolitan area... **J. Fil Ogden** appointed to Westinghouse Appliance Sales hq staff, Columbus, O., succeeded by **John P. Adams** as Salt Lake City district mgr.

All records were shattered by Motorola distributor-to-dealer TV sales last week, according to Motorola Consumer Products marketing vp S. R. (Ted) Herkes. He said b&w sales for first week of Nov. were more than 20% above previous peak established in Oct. 1954. Phono sales for same week were also "impressive," he added.

Add good news: Packard Bell Electronics TV sales jumped more than 25% in 1963's first 8 months compared with same 1962 period. Stereo console unit sales set all-time record in Aug., captured 40% of S. Cal. market.

TelePrompTer shareholders' "protective committee" is being formed by group headed by Defiance Industries pres. and TelePrompTer dir. Victor Muscat "to inform stockholders how badly" company is "being managed" and to "stop the excessive administration and legal costs that are plaguing the company." Defiance-controlled B. S. F. Corp. is purchasing TelePrompTer's Weathers, Conley Electronics and Audio Visual divisions (Vol. 3:35 p12). Muscat emphasized that he "definitely was not planning a proxy fight to unseat management," but said he & associates are studying plan to "make a tender offer to TelePrompTer stockholders in order to acquire control of the company." Decision on tender offer will come within 90 days, he said, and if affirmative, Muscat group will seek minimum 40% of TelePrompTer's 746,090 outstanding shares.

AB-PT's 9-month & 3rd-quarter figures (Vol. 3:44 p14) included capital gains, as follows: 1963's 9-month operating profit of $6,383,000 was enhanced by $523,000 (12¢ a share) net capital gains that increased net profit to $6,906,000. In same 1962 period, operating profit of $8,003,000 was decreased by $97,000 (2¢) capital loss to total $7,906,000. In 1963's Sept. quarter, operating profit of $2,164,000 was increased by $169,000 (4¢) net capital gains to total $2,333,000. In same 1962 quarter, operating profit of $2,450,000 was increased by $60,000 (1¢) capital gains to $2,510,000.

Philco is still in the red, according to Ford Foundation prospectus for secondary stock offering. "Philco sustained a loss in the first 9 months of 1963 and in 1962," prospectus stated: "Philco competes with certain of the largest corporations in the U. S. and its business is subject to changes in govt. policy, technology and other factors." Philco wouldn't elaborate.

P. R. Mallory & Xerox will form jointly owned firm to manufacture new type of microcircuit board which can be easily altered in size to fit specific applications. Company's name & management were not disclosed. Mallory & Xerox will share equally costs of launching new endeavor, expect new product to be commercially available in 6 months.

(Continued from page 12)

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Scripps-Howard Bcstg.	1963—40 wks. to Oct. 5	$ 10,499,326	—	$ 2,192,479	.85	—
	1962—40 wks. to Oct. 5	10,226,603	—	2,246,685	.87	—
Standard Kollsman Industries	1963—9 mo. to Sept. 30	55,087,907	$ 738,389	350,350	.16	2,254,296
	1962—9 mo. to Sept. 30	67,656,430	3,796,979	2,138,899	.95	2,179,686
TelePrompTer Story on p. 10	1963—9 mo. to Sept. 30	3,919,070	—	77,065	.10	746,090
	1962—9 mo. to Sept. 30	3,616,442	—	(59,453)	—	738,410
	1963—qtr. to Sept. 30	1,204,030	—	7,841	.01	746,090
	1962—qtr. to Sept. 30	1,347,902	—	47,696	.06	738,410
Transitron Electronic	1963—qtr. to Sept. 28	5,022,395	321,516	151,516 [7]	.02	7,503,249
	1962—qtr. to Sept. 28	5,450,623	(1,421,674)	(691,674) [7]	—	7,503,249
Warwick Electronics	1963—26 wks. to Sept. 28 [8]	53,748,000	—	900,000	.22	—
Zenith Story on p. 11	1963—9 mo. to Sept. 30	257,907,000 [5]	27,210,000	12,570,000 [5]	1.37	9,181,759
	1962—9 mo. to Sept. 30	227,005,532 [5]	25,041,937	11,590,672 [5]	1.28	9,087,909
	1963—qtr. to Sept. 30	91,618,000 [5]	10,396,000	4,916,000 [5]	.54	9,181,759
	1962—qtr. to Sept. 30	81,008,762	10,007,363	4,608,063	.51	9,087,909

Notes: [1]After $88,791 tax credit. [2]After preferred dividends. [3]Preliminary. [4]Adjusted for June-1963 3% stock dividend. [5]Record. [6]No income tax liability because of loss carry-forward from 1961. [7]After $730,000 tax credit. [8]Includes results of Pacific Mercury Electronics, merged Oct. 28; 1962 figures not available, but sales are up 13.6%, net earnings 17.5%.

ZENITH'S ROSY REPORT: In announcing record sales & earnings for both 3rd quarter & 9-month periods (see financial table), Zenith undertook to add another statistic to "battle of the millionaires" (million sets, that is).

It already is on record that Zenith distributor-to-dealer sales of TV sets (presumably both color & b&w) passed million in first 9 months of 1963. This was followed by report that RCA had passed million mark in factory TV sales (also including color) last Sept., 3 months ahead of last year's pace (Vol. 3:43 p9). Latest pronouncement—this one in quarterly financial statement by Zenith Chairman Hugh Robertson & Pres. Joseph S. Wright—that "over one million b&w TV receivers were produced during the first 9 months of this year," establishing new b&w record more than month earlier than last year.

In addition, Zenith report stated, distributor-to-dealer sales of color sets were "nearly double the first 9 months of 1962." Sept. sales were 60% ahead of previous record month of March 1963. Sales volume of all products in Sept. was highest of any month in Zenith history. B&w and stereo production & sales set records for 9-month period, while Zenith claimed increased share-of-industry in radios.

Report stated that Zenith's Rauland Corp. "is producing color TV tubes, although yields have not yet reached expected levels."

Addressing anniversary dinner of Appollo Distributing Co. in Newark, meanwhile, Zenith Sales Corp. Pres. Leonard C. Truesdell said: (1) Zenith will not enter tiny-vision market. (2) TV industry sales will remain at 7 million or more sets annually, with color increasing its percentage. (3) Industry color sales this year will total about 650,000, rising to more than million in 1964. (4) Zenith is "completely sold out for the rest of the year." (5) Truesdell has reconsidered his decision to retire next June, will remain in present post.

* * * *

Color TV is no longer luxury for wealthy, Elmo Roper survey for RCA indicates. Addressing Phoenix Ad Club, RCA Sales Corp. ad & sales promotion vp Jack M. Williams said survey showed that, of consumers indicating their next TV set would be color, 66.3% were in "average" or "below average" economic levels. Previous findings had established that 60% of color owners were in higher-income groups.

GT&E and Chmn. Donald C. Power were front-cover profiled by Nov. 6 "Financial World" which noted that GT&E "expanded about 16% annually during the 1956-1962 period," is "one of the 5 most widely-held Big Board issues." Commenting on Sylvania's performance, "World" noted: "Indicating how the Sylvania Div. has 'turned around,' this unit's net this year will rise 30% on a 10% sales gain." Sylvania is back in color tube production, magazine pointed out, and "expects to produce approximately 20,000 tubes this year. It expects this figure will be increased substantially next year." Over-all, GT&E's "gross income should increase about 8% this year to more than $1.4 billion. Net income—which will top $100 million—should approximate $1.30 to $1.35 per share, about 16% better than last year's $1.15."

Bankrupt Ravenswood Corp. (Vol. 3:44 p13) listed debts of more than $2.3 million in preliminary figures filed with Baltimore Federal Court. Company was granted extension to Nov. 22 to file complete schedule of assets & liabilities.

Howard W. Sams sales for quarter ending Sept. 30 were $3,829,013 vs. $3,339,845 for same period last year (figures inadvertently omitted from Vol. 3:43 p12).

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Andrea Radio	1963—9 mo. to Sept. 30	$ 3,550,241	—	$ 57,126	$ .22	254,136
	1962—9 mo. to Sept. 30	3,851,920	—	216,010	.85	254,136
	1963—qtr. to Sept. 30	1,393,665	—	60,030	.23	254,136
	1962—qtr. to Sept. 30	1,118,862	—	66,299	.26	254,136
Clarostat	1963—9 mo. to Sept. 30	6,212,422	$ (170,752)	(81,961)[1]	—	484,392
	1962—9 mo. to Sept. 30	7,627,186	475,873	239,419	.53	484,392
Crowell-Collier	1963—9 mo. to Sept. 30	79,614,000	7,432,000	3,564.000	1.09	3,259,736
	1962—9 mo. to Sept. 30	69,804,000	7,436,000	3,511,000	1.08	3,259,736
	1963—qtr. to Sept. 30	31,987,000	5,540,000	2,651,000	.81	3,259,736
	1962—qtr. to Sept. 30	29,828,000	5,496,000	2,612,000	.80	3,259,736
Federal Pacific Electric	1963—qtr. to Sept. 30	22,833,354	798,472	412,272	.09[2]	2,511,772
	1962—qtr. to Sept. 30	23,843,606	729,438	320,438	.05[2]	2,420,991
General Bronze	1963—9 mo. to Sept. 30	12,532,370	(140,049)	(140,049)	—	391,820
	1962—9 mo. to Sept. 30	13,788,303	28,554	28,554	.07	391,820
Hallicrafters	1963—year to Aug. 31[3]	60,492,000	3,334,000	1,644,000	.65	2,545,629
	1962—year to Aug. 31	66,741,111	4,123,061	1,993,061	.79[4]	2,510,625
Hoffman Electronics	1963—9 mo. to Sept. 30	21,262,083	—	(573,238)	—	1,538,888
	1962—9 mo. to Sept. 30	30,076,397	—	(243,003)	—	1,538,888
	1963—qtr. to Sept. 30	2,804,962	—	(397,197)	—	1,538,888
	1962—qtr. to Sept. 30	8,010,034	—	(175,446)	—	1,538,888
International Rectifier	1963—qtr. to Sept. 30	4,025,000	—	50,956	.02	2,414,542
	1962—qtr. to Sept. 30	4,278,000	—	297,423	.12	2,414,542
International Resistance	1963—42 wks. to Oct. 20	24,107,960[5]	2,907,309	1,391,309	.95	1,462,209
	1962—42 wks. to Oct. 21	23,853,273	4,519,832	2,100,387	1.44	1,462,209
Lear Siegler	1963—qtr. to Sept. 30	47,086,678	—	1,450,771	.36	3,894,293
	1962—qtr. to Sept. 30	46,977,939	—	1,379,623	.34	3,918,023
Ling-Temco-Vought	1963—9 mo. to Sept. 30	244,991,000	7,734,000[6]	4,832,000	1.74	2,783,885
	1962—9 mo. to Sept. 30	249,807,938	6,639,164[6]	6,639,164	2.39	2,763,473
	1963—qtr. to Sept. 30	82,167,000	1,885,000[6]	1,169,000	.42	2,783,885
	1962—qtr. to Sept. 30	75,819,236	2,075,324[6]	2,075,324	.75	2,763,473
Macfadden-Bartell	1963—9 mo. to Sept. 30	19,156,715	—	1,237,163	.78	1,591,472
	1962—9 mo. to Sept. 30	17,092,336	—	(402,962)	—	1,943,598
	1963—qtr. to Sept. 30	7,073,465	—	610,156	.38	1,591,472
	1962—qtr. to Sept. 30	5,862,408	—	(9,333)	—	1,943,598
Minnesota Mining & Mfg.	1963—9 mo. to Sept. 30	564,115,122[5]	—	64,900,008[5]	1.24	52,257,057
	1962—9 mo. to Sept. 30	515,694,783[5]	—	59,163,578[5]	1.13	51,823,123
	1963—qtr. to Sept. 30	195,454,104[5]	—	22,959,800[5]	.44	52,257,057
	1962—qtr. to Sept. 30	175,699,572	—	20,454,549	.39	51,823,123
National Co.	1963—9 mo. to Sept. 30	5,243,244	—	(43,772)	—	804,246
	1962—9 mo. to Sept. 30	6,773,629	—	130,219	—	802,779
	1963—qtr. to Sept. 30	1,095,995	—	(75,059)	—	804,246
	1962—qtr. to Sept. 30	1,968,084	—	18,131	—	802,779
Oak Mfg.	1963—9 mo. to Sept. 30	28,997,881	1,376,910	597,910	.87	687,074
	1962—9 mo. to Sept. 30	22,373,367	1,285,171	641,606	.93	687,074
	1963—qtr. to Sept. 30	8,998,598	300,419	92,419	.13	687,074
	1962—qtr. to Sept. 30	6,603,411	22,153	21,038	.03	687,074
Reeves Bcstg.	1963—9 mo. to Sept. 30	4,013,000	293,000	146,000	.10	1,408,893
	1962—9 mo. to Sept. 30	3,573,900	72,300	34,900	.02	1,408,893

(Continued on page 11)

NAB LIBRARY

WEEKLY
Television Digest
with
Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

NOVEMBER 18, 1963 NEW SERIES VOL. 3, No. 46

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

VHF DROP-INS KILLED IN FINAL 4-3 VOTE, Loevinger deciding to maintain status quo. Chances of reversal in courts considered negligible. Proponents believe issue will rise again eventually (p. 1).

SENATORS FAVOR SELF-REGULATION OF ADS: Magnuson, reporting FCC & FTC 1964 budgets, advises FCC to 'cooperate' with industry, to avoid 'mandatory' rule. Pastore seeks positive industry effort, exchanges views with NAB's Collins, who plans N. Y. meeting in Dec. with agencies, advertisers, TV stations, maybe networks (p. 2).

GROUP W'S PUBLIC SERVICE 'DIALOGUE' in Cleveland revolves around govt. regulation. Seltzer of 'Cleveland Press' visualizes TV-radio as 'prime' news media. FCC Chmn. Henry stands by his local-live recommendations (p. 3).

CATV & TV-RADIO VETERANS PUT HEADS TOGETHER, put best foot forward in meetings with FCC staff, NAB liaison committee. Turning point in Washington relations foreseen (p. 4).

NBC'S 'TW' TICKLES MOST, IRKS FEW. Experimental program of satire delights many viewers, critics, govt. officials—while its British forbear sheathes claws because of upcoming elections (p. 4).

FCC ACTS TO CRACK SALES LOGJAM: FCC Chmn. Henry tells Congress there's more staff delegation, 5 attorneys added, 'non-problem' cases go first. Steps have doubled output for Oct. over Sept. (p. 5).

HARRIS SCORES FAIRNESS DOCTRINE, says sending scripts to everyone would place intolerable burden on licensee, load FCC with enforcement problems. Urges judgment be left to licensee (p. 5).

Consumer Electronics

HOTEL-MOTEL TV enters 'refurbishing era' as new construction evaporates; prices at all-time low point, but 250,000-set-per-year demand seen continuing; wired remote control going into more motels; color pickup reported for suites & deluxe rooms (p. 7).

9-MONTH COMPONENTS SALES & PROFITS LAG: 19 representative companies show sales dip to $787.7 million from $791.4 million in 1962's first 3 quarters. Earnings slip to to $28 million from $31 million as 13 of 19 firms suffer profit decline (p. 8).

QUALITY SEAL FOR DISCOUNTERS: National Assn. of Mass Merchandisers inaugurates 'Quality Approved' program to enable qualified private-label manufacturers to affix NAMM Seal on products sold to discounters (p. 10).

PHONO FACTORY SALES set all-time single-month record with shipment of 702,691 units in Sept; sales to dealers down slightly from Sept. 1962, but 9-month sales are 12% ahead; full-year outlook for 5.2-5.3 million phonos (p. 11).

CBS NETS RECORD PROFITS in Sept. quarter and first 9 months, also proposes 2-for-1 stock split, declares 3% stock dividend and increases cash dividend to 45¢ a share from 35¢. Jan.-Sept. earnings jump 48% on 7.5% sales rise; Sept.-quarter profits soar 97% on 6.7% sales gain (p. 11).

VHF DROP-INS KILLED IN FINAL 4-3 VOTE: End of the tortuous road for vhf drop-ins came last week—as FCC voted them down again 4-3, Comr. Loevinger joining majority. This kills concept for visible future, because chances of reversal in courts are just about nil. Issue undoubtedly will come up again in year or 2, particularly if composition of Commission changes.

FCC discussed issue about 1-1/2 hours Nov. 15 before voting. Participants said Loevinger had given it real study, evidently found decision very close, as did ex-Chmn. Minow, whose vote he replaced. So, for the present, 3rd vhf outlet is out for Charlotte, Dayton, Jacksonville, Birmingham, Knoxville, Baton Rouge, Johnstown. We understand that reasons for denial are essentially as before will be specified in text of decision—date of release not yet known, presumably within few weeks.

Copyright 1963 by Television Digest, Inc. Reproduction in any form, without written permission, prohibited.

SENATORS FAVOR SELF-REGULATION OF ADS: Senate's 2 most powerful communications men—Sens. Magnuson (D-Wash.) & Pastore (D-R.I.)—acted on FCC's proposal to set limits on commercials. Both spoke for self-regulation, Magnuson recommending FCC "cooperate," Pastore trying to make sure there is self-regulation by working with NAB Pres. Collins. Magnuson recommendation came in Senate appropriations report on FCC & FTC budgets.

On House side, Communications Subcommittee headed by Rep. Rogers (D-Tex.) meets Nov. 18 to review commercials hearings of 2 weeks ago (Vol. 3:45 p1), to consider Rogers' bill to prohibit FCC from setting limits. Rogers believes there's "excellent" chance bill will be reported favorably. FCC also turned down Rogers' suggestion that it postpone Jan. 1 start for license fees, until he can hold hearings on it early next year. Rogers isn't satisfied, isn't giving up.

There's growing speculation at Commission that its commercials proposal is near defeat. We're told that if vote were taken "today" only Chmn. Henry & possibly Comr. Lee would vote for it. There's possibility of general policy statement on over-commercialization which would recognize difference between TV & radio in commercial practices.

Appropriations Subcommittee on Independent Offices, of which Magnuson is chmn., recommended 1964 budget for FCC of $15.4 million, $400,000 less than House granted, $1.1 million below FCC request. Full appropriations committee approved.

Appropriations report had this pointed comment: "The committee notes the self-regulatory efforts of the radio & television broadcasting industry concerning advertising and recommends that the Commission cooperate with the radio & TV industry in support of self-regulatory procedures rather than to contemplate mandatory regulation." Magnuson is also chmn. of Commerce Committee.

FTC budget of $12,329,500 was approved by Senate committee—$229,500 more than House voted, $698,500 below request.

Pastore's action on commercial practices started with letter to NAB Pres. Collins: "I would like to know exactly what is being done to meet this mounting criticism [from govt. & other sources]. I have always felt that the broadcaster has reached the age of maturity and that there was sufficient competent leadership to understand the significance of the public interest as it related to this problem." He requested that Collins & Code Board advise him on actions taken to meet this "challenging problem."

Collins said he'd been "deeply concerned" with problem since joining NAB, called attention to "highly complex" & "rather difficult" issues because of "the diversity of interests." He said, too, that time measurements alone are "inadequate," that there's "serious need" for qualitative standards concerning program interruptions, types of commercials, etc.

Collins said there is research effort underway to help. This is being conducted by Columbia U.'s Bureau of Applied Research, is due in Jan. He also said meeting is planned in Dec., in N. Y., with agencies, advertisers, TV stations, to explore problem, adding he's received favorable response from ANA, others.

TV networks will be invited, Collins said. He expects they will attend if they don't believe there's anti-trust danger. Networks turned down similar invitation few months ago on that ground—and others.

Pastore appeared to settle anti-trust question anyway. After receiving Collins' letter, he requested that Collins and Code Authority dir. give him progress report on N. Y. meeting. He said he also would invite networks to his meeting.

GROUP W'S PUBLIC SERVICE 'DIALOGUE': Benefits of leadership in this industry come in many ways, some unexpected. Several years ago, after big electrical industry anti-trust convictions, FCC put clamps on licenses of Westinghouse Bcstg. Co. and GE—pending study of effects of convictions on broadcast arms.

Westinghouse got off soon, because of its broadcast record and because FCC was satisfied with organizational setup. GE is still held up. In part, Commission objected to its chain-of-command. But, though FCC certainly can't find fault with GE's pioneering broadcast history in Schenectady, there's

little doubt its licenses would have been renewed by now if it had the national "public-service image" possessed by WBC—now known as Group W.

Regardless of such happy corporate by-products, however, fact is that Group W does do one of most effective jobs in TV-radio, outside of networks. Though several other major groups do bang-up job, it's fair to say none achieves consistent national recognition the way Group W does.

Foregoing is by way of introduction to group's Fifth Local Public Service Programming Conference, conducted in Cleveland last week. It was one of best.

Mulling over mass of discussion, we decided we were most impressed by remarks of a Group W competitor—Louis Seltzer, editor of "Cleveland Press," owned by Scripps-Howard which operates Cleveland's WEWS, opponent of Group W's KYW-TV.

Long respected as a "newspaperman's newspaperman," Seltzer looked "down the corridor of time" and ventured that TV-radio may well become the prime sources of news. Therefore, he said, there's "some danger" that govt. regulation will "inhibit & circumscribe" freedom of speech. Because of govt. regulation, he said, electronic media can't do what print does. If the modern media had been conceived when Constitution was framed, he said, they would have been included in First Amendment.

Similar vein was explored by Group W Pres. Donald McGannon. Discussing FCC's commercial-ceiling proposal, he said: "The problem... doesn't require the heavy hand of govt. for a solution... I do not believe the broadcaster needs instruction in his public responsibility." But he didn't let broadcasters relax, accused them of lapses into insensitivity & lethargy. "Status-quo-ism," he said, will produce loss of creative freedom, impingement of govt. on programming & commercials, mediocrity, "perhaps even disaster." Among other high points of Conference:

(1) Reuven Frank, NBC News exec. producer, asserted that "managed news is about the falsest issue we've had in years." Problem is "who agrees to be managed," he said, claiming that broadcasters have less resistance than publishers.

(2) James Snyder, Group W national news dir., said stations should be more "militant" in stamping out managed news in home towns, and that TV-radio local reporting is "far too narrow," needs more staff, more digging.

(3) TV news workshop panel stressed hard news more than commentary. Said Sam Zelman, CBS News west coast bureau mgr.: "I don't think opinion is that important. Give people the information and they'll draw their own conclusions."

(4) FCC Chmn. Henry stuck by his guns, saying: This might be called the "Second Omaha Report" or "I Wonder Why Some People Don't Like Me," referring to film on race relations shown earlier. "The profit motive can't dominate at the expense of the public interest," he said. If broadcasters exclude public from decisions on local programming, he stated, "you're saying the judgment is solely yours... I'd rather say [in renewal forms] that my judgment was buttressed in public support." He again said that stations should announce they welcome public's ideas, that their financial data should be available for local inspection.

(5) Aline Saarinen, former "N. Y. Times" art critic, now TV freelance, attacked Henry's view: "If you canvass community leaders, they'll tell you what they want, not what the community wants... They're not equipped to know programming any more than a theatrical producer could edit a magazine."

(6) Paul Ylvisaker, of Ford Foundation, veered toward Henry, urging that broadcasters "search continuously and creatively" in their communities. He called public service programs "the sanctimonious hours," suggested broader programming range.

(7) Negro comedian Dick Gregory complained that TV has too little Negro participation. He was challenged by Michael Dann, CBS-TV network programs vp, who said: "A day doesn't pass that I don't get a letter from an advertiser to include Negroes in programs."

(8) Surprisingly, a broadcaster indicated that FCC's local-live hearing in Chicago had impact. Sterling Quinlan, WBKB vp, said station is trying new methods of learning city's needs. He said station conducts opinion polls, has set up speakers bureau, and—"I've even told my executives to scatter to different saloons and ask the bartenders."

CATV & TV-RADIO VETERANS PUT HEADS TOGETHER: A turning point in CATV history may have been reached last week. CATV pioneers and TV-radio pros put their know-how together—in Washington, where it's needed.

Two sessions were involved: Informal luncheon of CATV interests and top FCC staff members; meeting of NAB's & NCTA's liaison committees. Both were marked with cordiality—welcomed by all hands.

FCC-CATV luncheon was hosted by Ward Quaal, WGN-TV Chicago. FCC guests were Henry Geller, James Sheridan, John Bass. They expected only couple telecasters, were surprised to find, from TV-radio field: J. Leonard Reinsch, G. Richard Shafto, Marcus Bartlett, Harry Butcher. From CATV, mostly with broadcast experience too: Al Malin, Fred Stevenson, Jack Crosby, Archer Tayler.

Net effect of session was that CATV group elaborated on services rendered—multiple signals, distribution of ETV signals, extension of uhf coverage, weather, news, etc. FCC staff listened carefully, prompting Geller & Sheridan to chide them for not giving Commission more data in various official FCC proceedings. Said Sheridan: "The Commission can act only on facts, on the record. Too much of the time we're told, 'You have no power to do that.' The FCC welcomes positive presentations of what you do—not negative presentations of what we can't do."

Said NCTA Chmn. Stevenson: "Any time you sit down with a group of people with open minds it's worthwhile. I think we clarified a few points with the FCC staff." Said Reinsch: "It was very beneficial. CATV can serve itself more effectively by advising FCC and the Congress how we expand service. CATV is helping to achieve the purpose of the Communications Act, bringing more service to more people. Little isolated storms in the past have been blown up out of proportion." Some time ago, Reinsch hosted confab with commissioners—Henry, Ford & Cox present.

For NAB-NCTA session, NAB fielded Dwight Martin, William Grove, Shafto & staffers Wasilewski, Anello, Carlisle & Hulbert. NCTA had most of those at FCC session, plus Martin Malarkey, Bruce Merrill, Frank Thompson and staffers L'Heureux & Nowaczek. Said Stevenson: "Good meeting. Good will. Both sides went away after finding the other side didn't have horns & forked tails. Nothing definite was decided. We should show respect for each other's points of view."

NCTA board meets in Chicago Nov. 18. It's expected committee will be named to find replacement for former Pres. William Dalton, resigned. Only name we've heard so far is that of John Erickson, former admin. asst. to Sen. Fulbright (D-Ark.).

NBC 'TW' TICKLES MANY, IRKS FEW: NBC got lot of attention, mostly favorable, with its experiment in moderate-to-sharp satire—"That Was the Week That Was"—patterned after big British success of same name. Ironically, BBC announced coincidentally that it's kicking show off air at year's end, chickening out for fear it might influence general elections, expected next Spring.

NBC carefully labeled its Nov. 10 show experimental, saying it's considering making it a series next Fall. Most critics were delighted with show, hailing it for novelty, humor, bite. Network said it received 2,330 favorable comments, 440 unfavorable.

Produced by Leland Hayward, show starred Henry Fonda, Henry Morgan. It lampooned without partiality—Kennedy, Goldwater, Rockefeller, Dewey, Gen. Walker, DeGaulle, billionaire J. Paul Getty, debutante Fernanda Wetherill, Bobby Baker, authors of salacious books, clergy, politicians—and the embattled funeral directors who must feel that TV has a conspiracy against them. Now, if someone spoofs British "TW" for quitting, satire will have gone full circle.

NBC was interested, naturally, in reaction of pressure groups, govt., etc. It reports no official complaints from organized groups. Of communications powers in Washington who saw it and could be reached for comment: Rep. Rogers (D-Tex.)—"Excellent. Good for a series. The political things were fine. That's what it should be. Some of it was close to obscenity and being suggestive; I wish they'd cut that out." Rep. Moss (D-Cal.)—"I was honestly & thoroughly amused. I'd have to watch it 2 or 3 times before saying whether it would make a good series. There's always need for political satire." Sens. Magnuson (D-Wash.) & Pastore (D-R. I.) and Rep. Harris (D-Ark.) couldn't be reached or hadn't seen show. Few FCC members had watched; those who did said they enjoyed most of it.

FCC ACTS TO CRACK SALES LOGJAM: Pressured by Congress, which is pressured by broadcaster constituents, FCC last week told Hill what it's doing to speed station sales and what causes delays.

(1) Increased staff delegation. (2) Temporary assignments of 5 additional attorneys to task. (3) Instead of handling cases as filed, "non-problem" applications are disposed of first. (4) Where deadline dates would kill sales, "timely" action is planned.

These measures made it possible, Chmn. Henry said, to dispose of 64 cases in Oct. 1963, nearly twice as many as previous month, nearly 1-1/2 times 1963 monthly average. He noted, however, that this barely kept up with inflow of applications for Oct., about 65.

There are 3 basic reasons for hold-ups, Henry said: (1) Sales involving exceptions to rule requiring licensees to keep station 3 years. (2) Increasing opposition to proposed station sales, as provided for in pre-grant protest procedure. (3) Closer review of financial qualifications.

HARRIS SCORES 'FAIRNESS DOCTRINE': FCC's concept of "fairness," according to Commerce Committee Chmn. Harris (D-Ark.), would place intolerable burden on stations, result finally in no editorials at all.

Addressing Assn. of Bcstg. Executives of Tex. in Dallas last week, Harris said foregoing would result because Commission indicates that stations must solicit variety of views every time it broadcasts controversial issues. He elaborated:

"My feeling is that the judgment as to what 'contrasting' viewpoints a broadcaster should permit to be aired over his facilities should be left with the licensee, where the Communications Act put it in the first place. To these burdens that a concentrated effort to enforce the fairness doctrine would impose on licensees, should be added the additional burdens on the Commission itself... Our primary objective, as I see it, is to remove whatever obstacles we can that stand in the way of the freedom of a responsible broadcasting industry."

Harris emphasized, however, that many people fail to realize that industry "has yet to cross the Rubicon." It's necessary that "some degree of regulation be imposed" because of limited frequencies, he stated. Sole responsibility for public obligations rests with licensee, Harris stressed, not advertising agencies or rating services—or FCC.

Turning to ratings, Harris said: "Unless you recover your own responsible decision-making functions, you will have no one but yourselves to blame, should the federal government on behalf of the public undertake to do something about it."

Network TV-radio coverage, not live, of FCC's Dec. 9 commercial-limits oral argument, has been given go-ahead. CBS asked for coverage opportunity, was granted green light, provided pool arrangement is made if others wish to cover.

Sale of WAFG-TV (Ch. 31) Huntsville, Ala. by P. T. Gunn, James R. Cleary & associates for $509,775 to Smith Bcstg. Inc., owner of Huntsville radio WAAY, has been approved by FCC.

NEW & UPCOMING STATIONS: KJFL-TV (Ch. 6) Durango, Colo., a real surprise, began programming Nov. 4 as independent. It's year's 13th new starter, raises operating TV total to 647 (115 uhf). KJFL-TV has 100-watt Gates transmitter, 60-ft. tower with Dynair antenna on Montview Parkway. Owner is Floyd Jeter who also owns radio KFLI Walsenburg, Colo. He's gen. mgr., operator & film buyer. To date he has staff of one—R. N. Dale, sales. Base hour is $60. Rep not chosen.

Note: KXO-TV (Ch. 7) & KECC-TV (Ch. 9) El Centro, Cal., held up by litigation, report they won't begin construction until Court of Appeals reaffirms CPs.

* * * *

In our continuing survey of upcoming stations, here are latest reports received from principals:

KFME (Ch. 13 ETV) Fargo, N. D. now has Jan. 1 programming target, writes Dr. Clair R. Tettemer, gen. mgr. Work on studios has been completed, 10-kw RCA transmitter is in place, and RCA Super Turnstile antenna has been installed on 426-ft. Blaw-Knox self-supporting tower. Clinton Olmstead, ex-KUAT Tucson, will be chief engineer; Bonita Vastag, traffic mgr.

WITV (Ch. 7 ETV) Charleston, S. C. plans Jan. 1 tests, Jan. 15 programming, according to Chief Engineer Charles S. Morris. Used 5-kw DuMont transmitter arrives Dec. 1 from Visual Electronics. Transmitter house is ready and station will use 162-ft. former WCSC-TV tower. Staff at S. C. Educational TV Commission's other station WNTV (Ch. 29 ETV) Greenville, S. C. will also serve WITV.

WBGU-TV (Ch. 70 ETV) Bowling Green, O. has changed target to Jan. 13, according to Dr. Duane E. Tucker, gen. mgr. & dir. of broadcasting at Bowling Green State U. It has 1-kw RCA transmitter on hand. Roof of University's new administration building is being prepared for tower.

Worried about tobacco-health-advertising, Commerce Committee Chmn. Magnuson (D-Wash.) asked FCC what it's going to do if Surgeon General has strong anti-tobacco report—now expected about end of year. It's understood Commission told him, in effect little more than: "We're standing by, waiting, keeping liaison with HEW Dept., FTC, etc." Report will be review of literature, contains no recommendations; these are due in another report, expected next year. In medical field, it's assumed this year's report will show that there's statistical indication that smoking contributes to cancer, heart ailments, premature childbirth.

Public disclosure of network affiliation contracts, recommended in 1957 by Barrow Report, was up for FCC discussion last week. At the moment, indications are that Commission will propose it in rule-making. Proponents argue that disclosure will promote competition. Greatest opposition was voiced by Comr. Ford, who asserted that competition will be reduced—all contracts becoming same.

NAB & RAB will jointly survey radio stations on commercial recording techniques. Decision was made last week at N. Y. meeting attended by representatives of NAB, RAB, AAAA. Survey grew out of complaint by J. Walter Thompson agency, which said there's loss in quality when station transfers disc commercial to tape.

Personals

Robert F. Stolfi, CBS-TV Network Sales account exec., promoted to Pacific Coast mgr., succeeding **Robert Livingston**, resigned to form Indek Co., research & development firm.

Edward A. Montanus, ex-MGM-TV central sales mgr., appointed ABC-TV central div. sales mgr.; **Jack Reilly**, asst. sales mgr., adds job as senior account exec... **Donald F. Keck**, ex-ABC-TV Spot Sales, N. Y., named gen. sales mgr., WXYZ-TV Detroit.

Philip Elman confirmed by Senate for reappointment as FTC Commissioner... **Robert M. MacLeod**, ex-"Seventeen" publisher, named STV Inc. marketing vp.

Victor Diehm, WAZL Hazleton, elected RAB chmn.; **John Box**, Balaban Stations, secy.; **George Comte**, WTMJ Milwaukee, treas.

Theodore F. Koop, CBS vp, Washington, elected national pres. of Sigma Delta Chi, professional journalism fraternity.

Roberto Daglio of El Salvador elected pres., Central American TV Network... **Paul Good**, ABC News Caribbean correspondent, and **Alan Boal**, ABC News reporter, named to head new Atlanta & Miami bureaus, respectively.

Charles Tower, Corinthian Bcstg., named chmn., All-Industry TV Station Music License Committee, replaced as vice chmn. by **Hamilton Shea**, WSVA-TV Harrisonburg, who was chmn.

Chester A. Siegrist, ex-ITA Electronics sales engineer, named Visual Electronics area sales representative for Pa., W. Va., Md., Del., southern N. J.

Allen D. Christiansen, ex-KVTV Sioux City, appointed public serivce & promotion dir., KETV Omaha... **Woody L. Durham**, ex-WBTW Florence announcer, appointed sports dir., WFMY-TV Greensboro.

Paul Heinecke, Sesac pres. & founder, named to board of advisors of Veterans Hospital Radio & TV Guild ("Bedside Network").

AM allocation map service for engineers is proposed by Smith Electronics, Cleveland, as successor to service discontinued last summer by Cleveland Institute of Electronics. Carl E. Smith, head of both, is soliciting industry reaction to proposed replacement-page system, 11x17-in., instead of the previous big-map, wax-paper pattern service. If demand warrants, Smith will also offer TV & FM allocation maps. Address: 8200 Snowville Rd., Brecksville, O.

"National Compendium of Televised Education," 10th annual edition, is being published by Mich. State U., E. Lansing (Dr. Lawrence E. McKune, editor). It includes reports from 4,743 sources, provides breakdown of ETV programming. General Science was subject of 48,188 classes, social science next with 29,461, art 18,282, music 18,254, etc.

Purchase of WBOY-TV Clarksburg, W. Va. by CATV system there has been set for FCC oral argument Jan. 9, as expected (Vol. 3:44 p2). Vote was 5-2, Ford & Hyde dissenting. Commission aims to explore whether ownership of station by CATV might work against interests of non-CATV viewers.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington, D.C. 20006
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

CBS is adding colorcasts, but sticks to policy that it will use color only when sponsors are willing to pay surcharge. Special CBS colorcasts now scheduled are Tournament of Roses Parade from Pasadena Jan. 1 (Procter & Gamble) and annual "Wizard of Oz" Jan. 26 (Quaker Oats), telecast last year in b&w. Rose parade, incidentally, will also be televised in color by NBC. CBS may present Royal Ballet telecast in color early next year, if sponsor is lined up, since show has already been filmed in color. ABC, incidentally, will present segment of its "Wide World of Sports" in color—tarpon-fishing contest Nov. 23 from Big Pine Key, Fla. NBC has added new daytime 30-min. color show, will add another nighttime half-hour in Jan. CBS's facilities charge for color is $3.500 per hour, double the b&w charge for origination, distribution, time-zone delay, etc. Network has live color origination facilities in 2 of its Hollywood studios, will have $1.5 million worth of color gear in its new N. Y. studios.

NAB'S 5 representatives on steering committee to direct NAB-RAB radio methodology study: Ben Strouse, WWDC Washington, NAB Radio Board chmn.; Ben Sanders, KICD Spencer, Ia., radio board member; Hugh Beville, NBC; Vincent Wasilewski, NAB; Melvin Goldberg, NAB. RAB will likely name its 5 this week. Rep. Rogers (D-Fla.), who served on Harris Subcommittee during ratings hearings, asserted that Nielsen ratings are bringing about "death" of programs. He said industry must get out of "numbers racket."

Ford Foundation has granted $400,000 over 5 years to Centre for Educational TV Overseas, London, for expansion of ETV in developing countries. Centre will train staff, produce programs, provide fellowships, etc.

Sale of KVII (Ch. 7) Amarillo, to John B. Walton Jr. for $1,125,000, by Southwest States has been approved by FCC.

Addition of 270 ft. to 630-ft. tower is planned for completion in July by the 3 Baltimore stations sharing structure.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

HOTEL TV ENTERS 'REFURBISHING ERA': Faced with slowdown in hotel-motel construction this year, and possibility of almost complete halt in 1964, TV suppliers nonetheless look optimistically to next year for continuation of this year's banner business. Key word for '64 is "refurbish." As one TV man put it: "Many hotels and motels will have their choice next year—refurbish or close."

Very few will even hazard guess as to size of hotel-motel TV market. There's some indication it may run to about 250,000 sets annually. This business is split among entire TV receiver industry—but concentrated in those manufacturers which make special hotel-motel models—including RCA, GE, Westinghouse, Philco, Zenith, Magnavox, Motorola, Emerson & Admiral.

Pattern of set distribution varies widely. For example, at last week's National Hotel & Motel Exposition in N.Y., these exhibitors displayed TV sets: Wells TV, Electronics Leasing Corp. & American Communications Corp., which handle various TV brands in connection with their institutional sale & leasing programs; RCA Service Corp., Westinghouse Commercial-Institutional Products & Philco Telesound Dept., which sell & lease direct; Zenith, which deals through its local set distributors; GE, which deals through local distributors & specialty leasing outfits; Magnavox & Motorola, through various hotel suppliers.

Although most looked forward to good 1964, there was plenty of blues-crying, too. One of biggest complaints was declining prices. TV sets generally are installed in hotel or motel on 5-year lease or 5-year conditional sale basis—both plans being roughly similar. Suppliers say prices this year, including master antenna, installation & service contract, are down about 1¢ per set per day. One supplier said his average 19-in. installation now runs about 13¢ per set per day (1¢ higher west of Chicago), down from a little over 14¢ last year (Vol. 2:47 p7), while another estimated industry-wide average for 50-room inn now running 15-15.5¢.

Hotel TV suppliers are bitter & angry over FCC's all-channel set rules, which they call senseless & ridiculous as applied to them. They point out that all big hotel-motel TV installations are on master antenna systems, and no available system will amplify & distribute uhf signals. (Traditionally, uhf signals are converted & fed to vhf channels on master systems.) In addition, they point out that life of TV set in hotel-motel use is calculated at 5 years (for tax purposes), while all-channel legislation is based on 10-year obsolescence cycle of home TV sets. All-channel ruling will cause price increase, they say, although uhf tuner in hotel set will be completely useless.

Suppliers are predicting that TV manufacturers will stockpile enough vhf-only hotel-type sets to meet their 1964 requirements without price increases, in hope that 1965 will see solution to their particular all-channel problem.

But all is not gloom in hotel-motel. Intense competition for guests in nation's overbuilt inns will benefit TV industry, many believe, forcing innkeepers to install better & more elaborate sets. Most suppliers see wired remote control as hottest thing to come down pike in long time. Originally developed for hospital TV, it's now being built into headboards & night tables, sometimes combined with message center or radio system. There's unquestionably increased interest in remote TV, and greater purchases.

Color is continuing its slow increase in share of nation's inn business, and for first time there seems to be substantial business for guest rooms (as opposed to public rooms)—depending, of course, on which supplier is talking. RCA Service Co. says it has no big hotel jobs without some color. Adds multiple sales & leasing mgr. W.R. Seuren: "The older hotels are going to it now. First it was public rooms, then suites, and now it's getting to the high-priced room areas."

Lush Las Vegas is looking more colorful these days. Philco's Telesound has equipped new 60-unit Embassy Apartment Hotel there with color in every room, supplied 30 sets to Sahara hotel for its "executive suites," while all other Sahara rooms were equipped with remote-control b&w. Amer-

ican Communications Corp. is supplying 40 remote-control GE color sets for suites in new 450-room annex to Dunes Hotel, remote b&w sets for remainder. "Some hotels are now planning it for every room," says ACC's Eli M. Lurie. Zenith sees heavy demand for lobbies & suites, recently sold 4 to American Airlines' Heritage Inn in Rochester. Others, including Electronics Leasing Corp.'s Alfred Kram, are less optimistic about color. "There are little increases here & there," he told us, "but it's still a little way off. Still too complicated & sensitive for the average hotel guest."

Combination TV-radio sets are attracting much interest this year. Last year's innovation—the "modulator"—which puts piped-in music, radio, etc., on unused TV channels, seems to be losing some of its popularity to TV with complete radio, which is said to be somewhat less expensive. Westinghouse "Host TV" is available with built-in FM set, and RCA will offer similar model soon. Philco Telesound, however, has introduced combination TV-AM, national sales mgr. Robert B. Diamond making point that many areas still have too few FM stations to make TV-FM worthwhile.

Stereo is controversial in hotel-motel business. Most suppliers think it will never be important. RCA last year introduced compact stereo speaker unit (to be hooked into master hotel sound system), has found it great "conversation piece," but has sold few installations. American Communications Corp. is enthusiastic about stereo, has installed systems with stereo speakers in headboards of beds, fed from tapes, discs & FM stereo in central office.

Nearly all hotel-motel b&w TV business is now 19-in. There's some expectation that modernization of existing large rooms will bring demand for 23-in. There seems to be little demand for 16-in. sets because of small savings compared with 19-in.; several manufacturers have 16-in. hotel sets designed, however, in caseanyone wants them. GE attracted considerable attention with its 11-in. tinyvision, had substantial number of inquiries from inns which have no master antenna systems. Such sets would, of course, have to be bolted to tables, and could be used only in primary-signal areas.

Hotel TV is still a big business—but one which is entering new phase. It's highly competitive, rough & tough. Several companies have dropped out during past 2 years. Those remaining look forward to a good, though problem-loaded, year.

9-MONTH COMPONENTS SALES & PROFITS LAG: Composite components & tube manufacturers rounded 1963's final turn and moved into 4th quarter with sales & earnings still trailing year ago, as they have each quarter this year (Vol. 3:34 p9).

Combined 9-month sales of 19 representative companies trailed 1962's Jan.-Sept. pace by some $3.7 million, dipped to $787.7 million from $791.4 million. Their aggregate earnings sagged approximately $3 million to $28 million from $31 million. The 1963 figure is after deducting $220,000 losses by Clarostat ($81,961) and General Bronze ($140,049); 1962's after Electro-Voice's $4,232 deficit.

Although aggregate sales and earnings aren't too markedly off 1962's 9-month pace, impressive is the fact that so many companies participated in decline. Of 19 companies analyzed, more than half—10 of 19—showed sales slippage. Even greater number—13 of 19—were down in profits. General Bronze & Clarostat were only firms in red, but imports & domestic competition cut sharply into profits of others. International Resistance set only record, with $24.1 million peak sales.

Major profit drops were reported by Standard Kollsman, down to $350,350 from $2.1 million; Tung-Sol, to $219,551 from $713,514; Erie Technological Products, $444,000 from $816,000; Globe-Union, to less than $1 million from more than $1.7 million; Indiana General, $982,131 from $1.6 million. Clarostat tumbled to $81,961 loss from $239,419 profit.

Texas Instruments led profit-gain parade with substantial jump to $8.2 million from $5.8 million. Gains otherwise were moderate. Amphenol-Borg moved up to $1.7 million from $1.6 million. CTS Corp. improved to $1.8 million from $1.6 million. Electro-Voice reversed year-earlier $4,232 loss with $56,816 profit.

Texas Instruments also posted most impressive sales gain—to $197 million from $175.5 million. Other substantial improvements: Oak Mfg.—$29 million from $22.4 million. Globe-Union—$50.5 million from $48.8 million. Erie Technological—$22.1 million from $20.7 million. CTS Corp.—$22.9 million from $20.7 million. Clevite—$77 million from $75.8 million.

Here's 1963-vs.-1962 9-month performance of representative components and tube manufacturers:

	Sales		Earnings	
	1963	1962	1963	1962
Amphenol-Borg	$ 62,425,918	$ 65,914,230	$ 1,705,137	$ 1,593,164
Clarostat	6,212,422	7,627,186	(81,961)	239,419
Clevite	76,925,645	75,839,150	4,746,266	4,721,006
CTS Corp.	22,882,808	20,652,463	1,762,274	1,595,070
Dynamics Corp. of America	54,560,753	61,038,617	3,012,456	3,156,791
Eitel-McCullough	19,635,100	22,776,900	496,100	429,800
Electro-Voice (6 mo. to Aug. 31)	5,542,188	5,189,047	56,816	(4,232)
Erie Technological Products	22,081,000	20,656,000	444,000	816,000
General Bronze	12,532,370	13,788,303	(140,049)	28,554
Globe-Union	50,530,373	48,768,783	956,547	1,736,980
Indiana General	17,516,521	19,469,889	982,131	1,605,529
International Resistance	24,107,960	23,853,273	1,391,309	2,100,387
Littelfuse	4,656,679	4,759,335	214,061	237,879
P. R. Mallory	73,680,668	73,957,409	2,948,475	3,192,401
Muter	12,158,039	11,934,232	169,031	197,161
Oak Mfg.	28,997,881	22,373,367	597,910	641,606
Standard Kollsman	55,087,907	67,656,430	350,350	2,138,899
Texas Instruments	196,993,000	175,461,000	8,179,000	5,832,000
Tung-Sol	41,208,024	49,640,309	219,551	713,514
TOTALS	**$787,735,256**	**$791,355,923**	**$28,009,404**	**$30,971,928**

TV-RADIO PRODUCTION: EIA statistics for week ended Nov. 8 (45th week of 1963) excluding 11-in. and smaller:

	Nov. 2-8	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV	165,396	151,385	131,250	6,137,270	5,715,218
Total radio	416,598	457,514	486,678	15,767,075	16,627,969
Auto radio	200,470	208,768	180,091	6,830,908	6,029,291

TOPICS & TRENDS

"Muntz Makes It" titles major article in Nov. 9 "Business Week," detailing how bankrupt company liquidated $5-million debt since 1954 and grew to present sound position with $632,799 profits on $11.7-million sales for year ended Aug. 31 under Pres. Wallace Keil, vp Jack Simberg & secy.-treas. Daniel J. Domin. Highlights: Muntz now accounts for about 100,000 TV sets per year, with distribution through 43 key dealers, half with non-TV-appliance sales background. Most of them invested about $20,000 in dealership, following exact Muntz blueprint for business. Key is advertising and long hours. Muntz spent less than $20,000 for advertising last year, none of it co-op—while dealers spent $1.5 million. Muntz has dropped private-label and low-end sets, and Simberg hopes to increase key dealers to 50 by year's end, eventually tap 100 more markets, double its share of TV business to 3%.

EIA will ask FCC to postpone effectiveness of proposed radiation limits for uhf receivers for another year. Current limitation of 1,000 microvolts per meter is scheduled to be reduced to 500 next April 30. Meeting in Rochester last week, EIA Engineering Dept.'s TV tuner subcommittee, headed by Standard Kollsman's Fred W. Edwards, pointed out that use of transistors in uhf tuners will bring levels well within 500-microvolt limit, but there has been no time yet to test production-model TVs with transistor tuners. Tests show, Edwards said, that tube tuners can't meet proposed limitations.

Trade Personals

Dr. Robert L. Pritchard, Motorola Semiconductor Products Div. engineering dir., awarded EIA Radio Fall Meeting Plaque for significant technical contributions to electronic industries.

C. Gus Grant appointed Ampex operations vp, a new post, succeeded by **Robert Weismann** as gen. mgr. of Video & Instrumentation Div.

Sidney Harmon, ex-pres. of Jerrold and founder of Harman-Kardon, elected pres. of Jervis Corp., Grand Rapids manufacturer of aircraft, automotive & marine parts & equipment... **G. A. Jollie**, ex-Tung-Sol & DuMont Labs, promoted to distributor sales mgr., Alpha Wire Corp.

J. R. Pascuzzo promoted from vp of General Instrument's Radio Receptor Div. to corporate group vp for defense & engineering products.

G. A. Hildebrand named Silicon Transistor mktg. vp... **James E. Stewart** elected a Motorola Overseas Corp. vp.

Stephen H. Fletcher, AT&T general attorney, elected vp & general counsel of subsidiary Western Electric, effective Dec. 1.

Arnold E. Last appointed Westinghouse Appliance Sales field sales mgr., succeeding **J. P. Moffitt**, reassigned to staff of Major Appliance Div. mgr. **Charles E. Erb**.

Francis S. Johnson resigns as pres. of Grundig-Triumph-Adler Sales Corp., subsidiary of West Germany-based Grundig Werke.

John P. Duff, ex-Philco Lansdale Div. publicity & promotional writer, appointed Jerrold PR mgr.

Alexander H. Dunbar named mfg. vp of Amphenol-Borg Electronics' FXR Div., maker of microwave & RF products... **Charles C. Tandy**, Tandy Corp. chmn. & Radio Shack pres., elected to latter's board.

Charles E. Wolf, former operations dir., elected Symphonic mfg. vp.

Fred Barkau, TelePrompTer co-founder & 1951-62 board member, elected a dir.

Edward Brady Jr. appointed Sylvania Microwave Device Div. contract administration supervisor.

John L. Lowden, ex-Foote, Cone & Belding, named ITT ad & sales promotion mgr... **Herbert Sacks** appointed Sylvania special products ad mgr.

Obituaries

Clyde D. Wagoner, 74, retired founder & head of GE's News Bureau, died Nov. 8 at Schenectady, N. Y. home. He also arranged some of first round-the-world radio broadcasts in early 1930s. He headed News Bureau from 1920 to 1945, retired in 1954 after 9 years in special-events activities. He is survived by his widow, son, daughter.

George D. O'Neill, 63, mgr. & consultant on technical publications, GT&E Labs, and longtime Sylvania tube engineer, died Nov. 13 at St. Francis Hospital, Roslyn, N. Y.

QUALITY SEAL FOR DISCOUNTERS: To "offset the damage that a Quality Stabilization or a Fair Trade Law would do," National Assn. of Mass Merchandisers has inaugurated a "Quality Approved" program which would enable private label manufacturers to affix NAMM Seal on products sold to discounters.

So far, arrangements have been concluded with a pharmaceutical house and a hosiery manufacturer, but, NAMM Exec. Secy. Roger Courtland told us, "we plan to explore the possibilities of other product lines." Among them: TVs.

Similar in concept to "Good Housekeeping" Seal of Approval, NAMM program "has been created in cooperation with manufacturers whose products test out as equal to the best of the comparable name brand products," Courtland explained. "The packaging and merchandising factors are equated for advantageous point-of-sale showing, and the established price must meet that of competitive products." Quality product tests are conducted by testing labs, he said. "NAMM doesn't get involved in the tests in any way."

Courtland believes Quality Seal program will enable discounters to move larger quantities of private-label products sold under house or manufacturers' brands. "The public will buy anything with a seal on it. They have faith in them."

New standard TV patent license form has been adopted by Hazeltine Research, which announced last week that it has been signed by Admiral and that all past disputes between Hazeltine & Admiral have been settled. New pact with Admiral runs to Jan. 1, 1968. New form, being offered to all licensees, is designed to replace existing individually negotiated pacts, offers same freedom of choice to all licensees, with wide variety of elections, according to Hazeltine Research Pres. W. M. McFarland. In some cases, he told us, it may result in savings to manufacturers. McFarland says Hazeltine's color patents, being used by all domestic manufacturers, are essential to production of color TV sets, and that company still has b&w TV patents in almost universal use.

New Sets: Color lowboy from **Muntz** at about $500; Andrea introduces color lowboy at $625; May Dept. Stores debuts 4-1/2-in. battery TV under its Tonecrest label at $148.88, supplied by **Delmonico; Realtone** to introduce 6-in. transistor TV next Jan.

NAMM Music Show next year at Chicago's Conrad Hilton will have 20% more space available for consumer electronics products than did this year's show at Palmer House, NAMM exec. secy. William R. Gard announced last week.

TV-appliance dept. is most profitable section of discount store, according to sampling of discounters polled by Dun & Bradstreet's "Discounters Digest." Furniture dept. is 2nd, women's wear 3rd.

Domestic radio sales for 4th quarter will be more than 10% higher than 1962 period, Motorola national home radio sales mgr. C. J. (Red) Gentry predicts, with total sales of more than 4 million sets in 3-month period.

GE is asking FCC if sets shipped to Puerto Rico are covered by all-channel law—requesting a declaratory ruling. Commission attorneys note that law specifically includes Puerto Rico (and U. S. possessions as well).

RECORD SEPT. PHONO SALES: Sept. factory phono sales were highest on record for any single month, just-released EIA data indicate. Total for month was 702,691, presumably in anticipation of bang-up winter selling season.

Phono sales to dealers were down very slightly from Sept. 1962—less than 1%—making this year's month only 2nd-best Sept. on record. For year's first 9 months, factory sales were up 11%, sales to dealers up 12%, from comparable 1962 period.

Both factory & distributor-level sales totals passed 3-million-mark in Sept., while portable & table model sales at both levels passed 2 million and console sales passed one million. At both factory & distributor levels, portables & table models represented slightly greater percentage of total mix in Sept. 1963 than in Sept. 1962.

On basis of 9-month sales, full-year outlook now is for total factory sales of about 5.3 million, distributor sales of approximately 5.2 million, compared with 4.95 & 4.84 million for 1962. Here are EIA's latest phono statistics:

PHONO DISTRIBUTOR SALES

Month	1963 Port. & Table	1963 Console	1963 Total	1962 Port. & Table	1962 Console	1962 Total
January	204,073	112,452	316,525	115,998	103,730	219,728
February	192,858	137,114	329,792	130,104	109,316	239,420
March	211,745	134,407	346,152	173,056	126,201	299,257
April	169,478	77,252	246,730	129,175	72,017	201,192
May	129,535	75,513	205,208	136,405	59,159	195,564
June	215,036	100,007	315,043	203,670	70,856	274,526
July	211,645	87,336	298,981	214,007	78,293	292,300
August	283,061	124,287	407,348	281,762	135,026	416,788
September	413,003	178,691	591,694	413,727	182,286	596,013
TOTAL	2,030,434	1,027,059	3,057,493	1,797,904	936,884	2,734,884

PHONO FACTORY SALES

Month	1963 Port. & Table	1963 Console	1963 Total	1962 Port. & Table	1962 Console	1962 Total
January	205,955	135,741	341,696	137,090	122,469	259,559
February	190,352	149,923	340,275	130,495	124,917	255,412
March	200,571	129,142	329,713	166,408	132,075	298,483
April	165,016	76,190	241,206	120,793	62,309	183,102
May	123,486	62,723	186,209	132,749	54,543	187,292
June	305,946	149,253	455,199	247,932	135,605	383,537
July	230,282	106,766	337,048	220,196	90,197	310,393
August	300,661	125,779	426,440	293,225	148,230	441,455
September	490,319	212,372	702,691	486,459	201,895	688,354
TOTAL	2,212,588	1,147,889	3,360,477	1,935,347	1,072,240	3,007,587

Jerrold was $1.1 million in the red (vs. year earlier $190,312 profit) in fiscal-1964's first half ended Aug. 31 (see financial table), but "is now operating in the black" and has record $6.1 million backlog (vs. $1.7 million at start of fiscal year). Pres. Milton J. Shapp said Jerrold is "looking forward to continuing in the black not only for the rest of this fiscal year but into next year." He declined to predict whether Jerrold would finish current fiscal in the black, said "I am hopeful that we will make it but I don't want to go out on a limb at this time."

Magnavox & GPE have discontinued merger conversations which have been reported off & on for past several months (Vol. 3:35 p12). Magnavox Pres. Frank Friemann said companies were unable to agree on terms.

CBS NETS RECORD PROFITS: CBS broadcast 4 items of cheer to stockholders last week: Record 9-month & 3rd-quarter profits; proposed 2-for-1 stock split; rise in quarterly cash dividend to 45¢ per share from 35¢; declaration of 3% stock dividend.

Profit gains were sizable (see financial table). Jan.-Sept. earnings jumped 48% to $28.4 million on 7.5% sales rise to $395.1 million. Sept.-quarter earnings soared 97% to $9 million on 6.7% sales gain to $121.9 million.

Proposed stock split will be voted by shareholders at special Dec. 20 meeting. CBS's last stock split was a 3-for-1 division in 1955. The 3% stock dividend is payable Dec. 16 to holders of record Nov. 22. The 45¢ cash payout will be made Dec. 6 to holders of record Nov. 22. CBS said "it is expected that the additional shares resulting from the split will be distributed about Feb. 25 and that a first-quarterly dividend of 25¢ a share on the split shares will be paid in March." This is equal to 50¢ a share on present stock.

TelePrompTer stockholders have approved sale to Defiance Industries (Vol. 3:35 p12) of Weathers, Conley Electronics and Audio Visual divisions, which collectively suffered $233,882 loss on $1,414,881 sales in 1963's first 3 quarters. Sale price is in excess of $1.5 million. These divisions, based at Cherry Hill, N. J., accounted for some 40% of company's gross revenues but represented less than 10% of total assets. Subtracting performance of these divisions, businesses retained by TelePrompTer earned $310,947 on $2,504,189 sales in first 9 months (Vol. 3:45 p12). Pres.-Chmn. Irving B. Kahn said CATV systems produced 80-90% of revenue. In other action, TelePrompTer dropped from its board 3 Defiance Industries executives. Among them: Pres. Victor Muscat who earlier had announced that he & associates were forming "protective committee" to safeguard interests of TelePrompTer stockholders (Vol. 3:45 p10).

Sylvania will close Brookville, Pa., plant and transfer production of receiving tubes to other facilities "on a gradual basis over the next year." In addition to 60,000 sq.-ft. Brookville, Sylvania operates 4 receiving tube facilities with total million sq. ft. Senior Vp Merle W. Kremer blamed demise of Brookville operation on "increasing impact of foreign imports on the domestic receiving tube market," which have risen to nearly 20% of total from 4% 4 years ago. "The only course open to American tube manufacturers," he said, "is to make the most efficient use of existing facilities to remain competitive." Emphasizing rise of imports of finished goods as well, Kremer said that through Aug., imports accounted for some 5% of U. S. TV set market, 22% of tube-type radio market, about 10% of radio-phono combination market. Sonotone Corp., meanwhile, reported that it had discontinued tube manufacture at its Elmsford, N. Y. plant at end of Aug., but will continue to market imported tubes.

C-E-I-R lost $1,858,537 in its 1963 fiscal year ended Sept. 30 after special nonrecurring charges of $1,225.476 and $432,000 in extraordinary costs. First-half deficit of $2.1 million was whittled by 2nd-half earnings of $277,735, equal to 18¢ a share. Year-earlier comparisons are not available.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Admiral	1963—9 mo. to Sept. 30	$ 153,824,071	$ 3,838,515	$ 1,893,938	$0.78	2,427,111
	1962—9 mo. to Sept. 30	144,252,942	2,760,727	548,216	.23	2,422,461
	1963—qtr. to Sept. 30	53,406,025	831,594	430,643	.18	2,427,111
	1962—qtr. to Sept. 30	49,512,749	(169,943)	(309,842)	—	2,422,461
Allied Artists	1963—qtr. to Sept. 28	4,542,000	244,000[1]	244,000	—	931,608
	1962—qtr. to Sept. 28	7,986,000	163,000[1]	163,000	—	931,608
Avnet Electronics	1963—qtr. to Sept. 30[2]	10,888,062	1,278,008	664,908	.22	3,064,729
	1962—qtr. to Sept. 30[2]	8,341,515	1,258,449	633,623	.21	3,064,729
CBS	1963—9 mo. to Sept. 30	395,145,909	—	28,377,689[3]	3.08	9,211,542
Story on p. 11	1962—9 mo. to Sept. 30	367,319,955	—	19,157,177	2.09	9,160,286
	1963—qtr. to Sept. 30	121,868,940	59,491,689	9,007,672[3]	.97	9,211,542
	1962—qtr. to Sept. 30	114,184,806	42,267,177	4,569,457	.50	9,160,286
Decca Records	1963—9 mo. to Sept. 30	—	—	3,670,557	2.40	1,527,401
	1962—9 mo. to Sept. 30	—	—	4,359,091	2.85	1,527,401
GPE	1963—9 mo. to Sept. 30	163,033,000	—	2,300,000	1.21[4]	1,643,101
	1962—9 mo. to Sept. 30	163,020,000	—	3,000,000	1.63[4]	1,643,101
	1963—qtr. to Sept. 30	57,469,000	—	808,000	.43[4]	1,643,101
	1962—qtr. to Sept. 30	55,085,000	—	1,105,579	.61[4]	1,643,101
Hawley Products	1963—9 mo. to Sept. 30	6,024,395	—	248,160	.89	260,000
	1962—9 mo. to Sept. 30	5,477,930	—	282,551	1.01	238,450
ITT	1963—9 mo. to Sept. 30	914,862,420[3]	—	33,513,737[3]	1.84	16,725,508
	1962—9 mo. to Sept. 30	825,613,600	—	29,363,643	1.63	16,486,872
	1963—qtr. to Sept. 30	313,486,216[3]	—	11,201,666	.61	16,725,508
	1962—qtr. to Sept. 30	270,865,327	—	9,366,471	.52	16,486,872
Jerrold	1963—6 mo. to Aug. 31	10,060,000	(1,629,000)	(1,147,000)	—	1,999,682
Story on p. 11	1962—6 mo. to Aug. 31	10,413,000	—	190,000	.09	1,884,569
National Union Electric	1963—9 mo. to Sept. 30	28,933,202	—	858,921	.16	5,547,000
	1962—9 mo. to Sept. 30	28,317,939	—	857,621	.15	5,747,479
A. C. Nielsen	1963—year to Aug. 31	45,348,000	—	3,209,202	1.88	1,710,000
	1962—year to Aug. 31	40,119,000	—	2,971,423	1.74	1,710,000
Sonotone	1963—9 mo. to Sept. 30	16,493,000	—	28,954[5]	.01[4]	1,224,491
	1962—9 mo. to Sept. 30	15,981,000	—	253,406	.20[4]	1,220,430
Stanley Warner	1963—year to Aug. 31	146,693,100	—	3,283,300[6]	1.61	2,036,924
	1962—year to Aug. 31	136,150,500	—	2,853,500	1.40	2,033,924
	1963—qtr. to Aug. 31	42,424,700	—	1,485,100[7]	.73	2,036,924
	1962—qtr. to Aug. 31	34,727,700	—	585,900	.29	2,033,924
Terminal-Hudson Electronics	1963—9 mo. to Sept. 30	10,111,630	184,265	89,725	.09	1,026,804
	1962—9 mo. to Sept. 30	10,181,396	276,112	148,350	.14	1,026,804
Trans-Lux	1963—9 mo. to Sept. 30	—	—	491,050[8]	.68	718,037
	1962—9 mo. to Sept. 30	—	—	532,235[9]	.74	718,037
Wells-Gardner	1963—9 mo. to Sept. 30	19,396,000	960,000	466,000	1.09	422,200
	1962—9 mo. to Sept. 30	19,024,000	1,492,000	722,000	1.69	422,200
	1963—qtr. to Sept. 30	9,753,000	698,000	335,000	.78	422,200
	1962—qtr. to Sept. 30	9,717,000	990,000	476,000	1.11	422,200

Notes: [1]No tax provision because of prior years' losses. [2]Excludes Liberty Records and its subsidiaries, interest in which was sold Oct. 1963. [3]Record. [4]After preferred dividends. [5]After $120,000 charge relating to elimination of electron tube business in Aug. [6]Before $237,400 profit from property disposition. [7]Before $222,800 profit from property disposition. [8]Includes $89,680 nonrecurring income. [9]Includes $11,100 nonrecurring income.

NAB LIBRARY

WEEKLY

Television Digest

with

Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

NOVEMBER 25, 1963 NEW SERIES VOL. 3, No. 47

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

8 MONTHS DELAY SOUGHT FOR DENVER PAY TV, as experimenters tell FCC some movie producers want picture scrambled. Franchise-holder Macfadden-Bartell asks 2 months to install equipment, 6 more to start operations, says this is last request for extension (p. 1).

FLURRY OF BROADCAST ACTIONS ON HILL: Rogers Subcommittee approves bill aimed at stopping FCC from setting commercial limits. Stanton offers free prime time to political parties for 1964, suggests debate format confined to single issues. Younger introduces bill to exempt stations from giving free time to answer paid controversial programs (p. 2).

FCC DOCUMENTS BRIGHTER 1962 FOR RADIO—profits up 48% to $43.5 million on 7.7% revenue rise to record $636.1 million (p. 3).

WHERE THE NEW CATVs ARE—additions to CATV Directory of next Factbook, as derived from all sources, listed by state & community (p. 3).

PAY-TV PLANS discussed on coast by Pat Weaver for 3-channel wired system, and by National General for theater color network (p. 4).

EXAMINER OKAYS NBC-RKO DEAL, finds many factors 'complex' but concludes that NBC's 'runaway superiority in experience carries all before it' (p. 4).

Consumer Electronics

GOOD BUSINESS HOLDS through Oct., with TV sales nearly 8% above 1962 month; radio sales pick-up noted; Govt. reports big jump in personal income & increase in TV set buying plans (p. 7). Official Sept. sales figures confirm 10% jump in TV, 10% dip in radio sales (p. 11).

ENTERING TUNER BUSINESS, Industrial Electronic Hardware announces capacity for 750,000 uhf tuners annually, but is faced with legal action by General Instrument on 'piracy' allegation; Gavin Instruments also plans uhf tuner output (p. 7).

IMPROVING DISCOUNT IMAGE GAINS SHOPPERS, marketing consultant finds in comparative analysis of 1963 and 1961 nationwide surveys on consumer attitudes toward discount outlets. However, although low-margin movement has won marked acceptance in 2 years, many shoppers do not believe discount stores offer latest products (p. 8).

FM STEREO STATIONS total 256 in U. S. & Canada; only 14 outlets have started stereocasting since July (p. 9).

NEB. TIME-SALE MUDDLE—CONT'D... Legislature rushes through 4 remedial bills to protect retailers and financing agencies from loss of some $1 billion in merchandise sold under instalment contracts voided by State Supreme Court. Attorney general warns that new Acts also are unconstitutional (p. 10).

THE DEATH OF THE PRESIDENT: Writing this shortly after the assassination of President Kennedy, we find it most difficult to report or comment appropriately in this specialized publication. We think it permissible, however, to take quiet pride in the performance of the industry we serve. Maturity. Extremely full, extremely careful, extremely fast reporting. Absolute minimum of meaningless speculation & pseudo-analysis. Absence of conflicting network "first" claims. Sober cancellation of all network entertainment programs & commercials until after funeral. The industry did all one could expect.

8 MONTHS DELAY SOUGHT FOR DENVER PAY TV: Problems of Denver pay-TV project have produced request of FCC for additional 8 months to get going on experiment. Macfadden-Bartell reported to Commission that some movie producers refused to offer films for Teleglobe system, want picture scrambled. System telecasts video unscrambled, feeds audio via phone lines.

Denver proponents told Commission they'll install picture-scrambling equipment of type similar to that used for police lineup telecasts over uhf WNYC-TV N. Y., for which Teleglobe has patents pending. Phoned-audio would still be used, but picture decoder would have to be added to receivers.

Copyright 1963 by Television Digest, Inc. Reproduction in any form, without written permission, prohibited.

Teleglobe Pres. Sol Sagall says decoder is "uncomplicated, would cost a fraction of those used in Hartford."

Two months to install scrambling equipment is sought—plus 6 months thereafter to get going. Because of many delays, FCC has been granting extensions of one month at a time. Grantee told Commission this is its final request for more time.

ON HILL: COMMERCIALS, POLITICAL TIME, ETC. —Handful of key broadcast issues—from commercials to political broadcasting—rumbled on Capitol Hill last week:

(1) Bill to stop FCC from setting limits on length & frequency of commercials was approved by Communications Subcommittee, headed by Rep. Rogers (D-Tex.), bill's sponsor. Proponents are optimistic that bill will get favorable treatment from parent Commerce Committee. What happens if & when it gets to House floor is uncertain.

(2) Political broadcasting issue was raised by CBS Pres. Stanton as he accepted Gold Medal award from National Institute of Social Sciences. He made public offer, contained in letters to Republican & Democratic chairmen, of free prime time with suggested format for 1964 TV campaigns on network. There would be no restriction on number or length of broadcasts; these would be determined by candidates. Core of Stanton's proposal is "candidate-to-candidate confrontations," so that voters can see opponents in "unstaged, unfiltered, direct discussion." Secondly, he suggests debates be confined to "single issues," e.g. civil rights, defense, etc. Broadcasts would be unsponsored, would apply to Vice Presidential as well as Presidential candidates. In statement which proved to be tragically apropos, Stanton observed: "It has been truly said that the Vice President is but a heartbeat away from the Presidency."

Stanton's offer received mixed reaction on Hill, where suspension of "equal time" for top offices in 1964 awaits final resolution in House, following passage of slightly different measures in both Senate & House. Those favoring plan liked it because it lifted restrictions on length of programs and because it was in form of traditional debate, though there was feeling that entire TV exposure should not be limited to one format. Some opposition was voiced on House side, where opponents of equal-time suspension saw in Stanton's proposal justification for their criticism—that networks would be taking too strong a hand in determining nature of TV campaign & its issues.

There were reports that Rep. Bennett (R-Mich.) didn't like plan, might vote against adoption of Senate changes and/or committing them to conference committee. Unanimous vote for either is required—or else measure goes to Rules Committee. Bennett couldn't be reached for comment. Democratic Chmn. John Bailey was understood to favor offer but thought that 4 such debates would be all candidates could prepare for. Republican Chmn. Miller was in St. Louis for Republican meeting, couldn't be reached.

(3) Rep. Younger (R-Cal.) added to "fairness doctrine" controversy, introduced HR-9158 that provides if a station carries a paid controversial program, it needn't provide contrasting views unless paid. He expects to set hearings on measure in Dec. His plan would satisfy recent outcries from conservative & right wing groups that stations were getting reluctant to continue paid programs because FCC policy requires that they present opposing viewpoints. Younger's bill, however, differs completely with views of Sen. Pastore (D-R.I.), who said that one group's possession of "cash" does not justify exclusion of non-paid opposing views.

(4) Rep. Rogers, turned down by FCC on his request that it postpone Jan. 1 start of license fees until he can hold hearings early next year, will now try to hold hearings in Dec. on HR-6697. Bill prohibits license fees unless specifically authorized by Congress. Even if hearings are held next month, there's serious question whether legislation could be enacted before Jan. 1.

In related developments, FCC's oral argument Dec. 9 on its plan to limit commercials is attracting large turnout—it's now expected to take 2 days. And Comr. Lee, who conceived of commercial-ceiling idea, said NAB's Code needs sanctions. He stated that if stations don't live up to programming promises FCC may have to revoke licenses, adding that 1960 program policy statement may have to become matter of rule & regulation.

Following organizations want to appear at oral argument: NAB, Illinois Bcstrs. Assn., League Against Obnoxious TV Commercials, National Assn. for Better Radio & TV, U. of Minnesota college

of liberal arts dean, National Audience Board, Rep. Watson (D-S. C.), KSEL Lubbock, WGN Chicago, Dover Bcstg., Group W, all networks, Metromedia, WANN Annapolis, Storer Bcstg., KDEN Denver, Texas Assn. of Bcstrs., WDRK Greenville, O., Colorado Bcstrs. Assn., Georgia Assn. of Bcstrs., A.E. Tatham of Tatham-Laird agency, Alfred Rosenblatt of Laconia, N.H., who identifies himself as a sponsor, plus these law firms on behalf of multiple clients—Dow, Lohnes & Albertson; Haley, Bader & Potts; Krieger & Jorgenson; Miller & Schroeder; Fisher, Wayland, Duvall & Southmayd; Pierson, Ball & Dowd; Cohn & Marks; George Sutton; Loucks & Jansky; Covington & Burling.

* * * * * * *

NAB Code violators should either correct abuses or be bounced from membership, Stephens Dietz, Kenyon & Eckhardt exec. vp told NAB's Ft. Worth Conference. He said all responsible ad agencies should join in K&E's new policy of placing spot schedules on Code-subscribing stations—or their equivalent. Possibility of obtaining Justice Dept. approval for joint agency action is being investigated. Discussion of subject with FCC was "somewhat encouraging," he said. But if policy is to work, NAB will have to tighten controls, correct abuses, Dietz asserted. At NAB's Denver session, Sen. Allott (R-Colo.) called Omaha report "shocking" & frightening," said it would make FCC members "program directors" of every station.

FCC DOCUMENTS BRIGHTER 1962 FOR RADIO: Radio had brisk year in 1962, FCC reported in annual wrapup. Profits increased 48% to $43.5 million on record revenues of $636.1 million, up 7.7%—3/4 of the revenue increase coming from local time sales. Losses were reported by smaller percent of stations—34.4% vs. 40% in 1961. Of the 1,215 losers, more than 50% reported depreciation expense and/or payments to proprietors more than amount of loss.

Total TV-radio exceeded $2 billion for first time in 1962—TV contributing $1.4862 billion. TV's profits were $311.6 million, compared with radio's $43.5 million.

FM had $13.9 million revenues—$4.6 million by those operated in conjunction with AM, $9.3 million by independent FMs. Independents lost $3.2 million, compared with $2.6 million loss in 1961.

Though networks' net time sales increased 4% to $23,616,000, they still suffered loss of $2,386,000,—vs. $3,010,000 loss in 1961. Network o-&-o profits were up 42.2%, all other stations up 39.8%. Total employment went from 52,534 in 1961 to 54,091 in 1962.

Commission noted that largest difference between losers & profit-makers was national spot business. Profitable operations averaged $73,796 in spot vs. $33,783 for non-profitable stations.

Full report contains 16 tables, copies available from Commission, or we'll be happy to get them for you. Among tables: (1) City-by-city breakdown of revenues, expenses, profits, losses. (2) Same thing, state-by-state. (3) Breakdown of payments to proprietors by range of payment. (4) City-by-city figures for independent FMs. (5) Breakdown of expense categories. (6) Breakdown of revenues, etc. by size of city. (7) Breakdown of profit or loss by volume of revenue.

WHERE THE NEW CATVs ARE: Working on CATV Directory section of our next Television Factbook, to be published in Feb., we've dug to unearth all new systems operating or under construction. Process remains a tough one, since there's no official central filing point. Herewith are new systems not included in our last Factbook No. 33, some in communities already CATV-served—and we welcome your corrections, additions, deletions:

Operating: Ala.—Auburn. Cal.—El Cajon, Ojai, Thousand Oaks. Fla.—Tallahassee (2 systems). Ga.—Fitzgerald, Lyons, Ocilla, Vidalia. Ind.—Attica. Kan.—Salina. Ky.—Beattyville, Booneville, Glasgow. Mich.—Calumet, Hubbell, Lake Linden, Laurium, Manistique. Minn.—Thief River Falls. Miss.—Biloxi. Mont.—Superior. N.H.—Groveton. N.Y.—Bayside, Dryden, Olean. Okla.—Laverne, Tonkawa. Tex.—Austin (2), Clarksville, Denison-La Grange, Dublin, Mineola, Quanah. Va.—Charlottesville, Covington, Norton. W. Va.—Clendenin. Wis.—Marshfield, Menomonie, Merrill. Canada: Que.—St. Bruno.

Under construction (some possibly operating): Ala.—Decatur. Fla.—Eau Gallie, Ft. Walton Beach, Gainesville, Melbourne, Ormond Beach. Ga.—Waycross. Hawaii—Honolulu. Ill.—Bridgeport, Flora, Lawrenceville, Olney, Pontiac. Ind.—Delphi, Lafayette, Logansport, Monticello, Vincennes, Washington, W. Lafayette. Md.—Frostburg. Minn.—Rochester. Miss.—Jackson. Neb.—Fairbury. N.J.—Oakland, Ocean City. N.Y.—Utica. S.C.—Florence. Tex.—Palestine. Va.—Clifton Forge, Richmond.

PAT'S PAY-TV PLANS: Southern Cal. was jumping last week with plans for various forms of closed-circuit pay TV. Subscription TV Pres. Sylvester L. (Pat) Weaver held news conference to discuss wired home system his firm plans to institute in Los Angeles & San Francisco (Vol. 3:33 p2 et seq) shortly after first press demonstration of GE's Talaria color projection system by National General Corp., which plans 100-theater TV chain next year (Vol. 3:9 p3, 18 p2).

Weaver said home pay-TV installation charge will be $10, with $1 weekly service charge. In return, subscribers would get 24 hours of music, plus "bonus" programs. There will be 3 channels of pay TV, he added, with at least 4-6 hours of programming daily, although "we can be on the air 25 or 30 hours a day." Subscribers will be given 6-min. free "sampling" periods to help them make up minds whether they want to accept programs. Billing will be done electronically on basis of programs viewed by subscriber. "We don't expect to break even for 2 or 3 years," said Weaver.

Demonstration of Talaria projector was held in National General's Village Theater, Westwood, Cal., with programs closed-circuited from NBC's Burbank studios. National General Pres. Eugene V. Klein said his theater network would be in operation within 6-8 months, with starting target of 100 theaters, of which 20 would be owned by National General.

Klein said no theaters have yet been signed for network. However, he's now lining up programming. Under contract with Metropolitan Opera, 5 taped operas would be shown over 3-year period. Deal with Carnegie Hall provides for presentation of live classical & jazz concerts originating there.

Search for new pres. of National Community TV Assn. is underway by selection committee named at NCTA board meeting in Chicago: Martin Malarkey, Malarkey & Assoc., Washington, chmn.; Marcus Bartlett, Cox Stations; Ben Conroy, Uvalde, Tex.; Bruce Merrill, Ameco, Phoenix; Alfred Stern, TV Communications Corp., N. Y.; Robert Tarleton, Lansford, Pa.; Ralph Weir, Junction City, Kan.

Senate passed 1964 appropriations last week: $15.4 million for FCC, $400,000 less than House approved, $1.1 million below budget request; $12,329,500 for FTC, $229,500 above House allowance, $698,500 less than requested. Measure goes to House conference.

EIA's AM-FM transmitter committee, under CBS's O. L. Prestholdt, has been reorganized, plans to produce equipment standards for FM stereo & SCA monitors, issue a "Measurements Procedures Manual," update transmitter-antenna standards.

New CATV in Logansport, Ind., due for Dec. start, has signed 1,600 subscribers out of 7,000 potential, according to Jerrold, joint owner with Chicago's Alliance Amusement Co.

Uhf development organization, FCC-sponsored CAB, elects EIA's Jack Wayman chmn. of its Committee No. 3 (consumer information).

Instructional TV bibliography has been published by Ampex Corp. Ten-page listing was selected by Richard Dewey, Instructional TV Center, San Jose State College.

EXAMINER OKAYS NBC-RKO DEAL: Major milestone was passed in marathon NBC-RKO Philadelphia-Boston station swap case last week when FCC Chief Examiner Cunningham issued initial decision recommending approval. Philco has sought to wrest WRCV-TV Philadelphia from NBC.

Cunningham held, among other things, that: (1) RCA's patent practices don't disqualify NBC as licensee. (2) "There is no question that NBC used its bargaining position to make a business arrangement which Westinghouse would have preferred making without yielding its Philadelphia station," but this shouldn't dispose of case. Complex problem needs FCC's "broadbrush examination" & policy-making. (3) FCC did approve Westinghouse-NBC Cleveland-Philadelphia station swap in 1955 "with complete awareness of the reluctant role of Westinghouse." But "the continuity and integrity of process would seem to oblige govt. to spare private citizens the setbacks likely to flow from a refusal to honor the proper acts of predecessors in office." (4) Anti-trust history of RCA & Ford (Philco's parent) isn't such as to exclude them from station ownership. (5) Philco ownership of WRCV-TV would reduce concentration of ownership in TV-radio. (6) NBC gets black mark for rigged quiz shows.

Finally: "NBC's runaway superiority in experience easily carries all before it and makes its case a winning one over Philco."

Baton Rouge vhf drop-in case apparently is somewhat different from the other 6 (Vol. 3:46 p1), but its fate isn't clear yet. It involves move of Ch. 11 from Houma, rather than straight drop-in. It may differ, too, from other past "move-ins"—where FCC granted short-spaced channel shifts to put 3rd vhf channel in major city, such as Enid-to-Oklahoma City—because no operating station is involved in Houma. Predictions at FCC are that Ch. 11 will stay in Houma now, get shifted later.

Now that vhf drop-ins have been rejected, FCC is going ahead with Commission-network confab on helping uhf. In May, Commission wrote networks, asking how some of their programs might be given to uhfs when regular vhf affiliates aren't carrying them. Meeting is set for Dec. 16, networks sending men of major vp level—several commissioners to participate.

Larger role for ETV—broadcasts of controversial issues, coverage of political discussion, more prime-time competition with commercial stations—was urged by FCC Chmn. Henry in Nov. 20 speech before NAEB convention in Milwaukee. He said he hopes Commission will soon work on "formulation of a program policy" for ETV.

Identification as Miami-Ft. Lauderdale stations was denied to WTVJ & WCKT Miami, FCC saying this might hurt prospects for station in Ft. Lauderdale. Commission said it grants waivers other way around, to help small-city station get big-city identification—but can't see justification of reverse.

CBS was turned down by FCC last week, as expected, on its bid for reversal of ruling that its network TV compensation plan was illegal. FCC held that CBS plan has same restraining effect as now-outlawed option time. CBS is expected to take case to courts.

UPCOMING STATIONS: WCIU (Ch. 26) Chicago, now plans to begin programming Dec. 20, reports John Wiegel, pres.-gen. mgr. It will use RCA 12.5-kw transmitter & 69-ft. tower supplied by A. Belda, Chicago, on roof of Board of Trade Bldg. John McPartlin will be sales mgr.; Gun Chan, program dir. Base hour will be $450. Spot Time Sales, Chicago, will be rep.

KUSU-TV (Ch. 12 ETV) Logan, Utah holds to Jan. target for programming, reports Burrell F. Hansen, chmn. of radio-TV for grantee Utah State U. It has 5-kw RCA transmitter due in Nov., will use 220-ft. Utility tower.

KCSM-TV (Ch. 11 ETV) San Mateo, Cal. plans to be on air with test pattern by mid-Feb., reports Dr. Jacob H. Wiens, dir. of College of the Air for KCSM-FM & TV. RCA 1-kw transmitter has been ordered for delivery in 60 days. Contracts haven't been placed yet for base & tower.

WNJE-TV (Ch. 77 ETV) Glen Ridge, N.J. still hopes to get on air "early in 1964" according to Robert Pellet, project dir. for N. J. Educational TV Corp. Orders haven't been placed for transmitter or antenna. It will share tower & transmitter house of radio WJRZ in West Orange, paying only maintenance costs. Vacated school in Glen Ridge will be used for studios & offices.

WTIU (Ch. 30 ETV) Bloomington, Ind. has April-May 1964 programming target, writes Elmer G. Sulzer, dir. of radio-TV communications for grantee Indiana U. Construction hasn't started, nor have orders been placed for equipment. However, Indiana U. has complete TV studios used for microwaving 7 programs weekly to WTTV Indianapolis.

WIHS-TV (Ch. 38) Boston, plans to be on air Sept. 1, 1964, according to Austin A. Harrison, gen. mgr. for grantee Catholic TV Centre. Harrison, who has been a management consultant, is former owner of KODE-TV & KODE, Joplin, Mo. Equipment has been ordered from RCA, antenna to go on Prudential Tower.

Time Inc. has sold its minority interest in Compagnie Libanaise de Television, which operates 2 commercial TV stations (one English & French, one Arabic language) in Beirut, Lebanon. Purchasers were local interests. Beirut's other station, Tele-Orient, is partly owned by ABC International TV.

KRGV-TV-AM Weslaco, Tex. is being sold for $1,375,000 to Mobile Video Tapes Inc., owned 50% each by Douglas L. & Charles P. Manship, principals of WBRZ Baton Rouge.

Hearst Corp. has bought radio WAPA Puerto Rico from founder Jose Ramon Quinones for reported $3,500,000. WAPA-TV is owned by Screen Gems.

ARB's 1963 Market Digest containing viewing and marketing data for every U. S. TV market has been released to subscribers of its Media Management Series. It includes map of TV markets.

Recent new African TV stations: Kampala, Uganda; Ouagadougou, Upper Volta; Abidjan, Ivory Coast; Libreville, Gabon.

Pay TV in Hartford adds another Broadway show to schedule, with performance of taped "Tchin-Tchin."

First major U. S. demonstration of color TV Plumbicon camera will be held Nov. 25-26 at Pentagon for military officials, in combination with new color Eidophor TV projection system (Vol. 3:39 p3). Reports on Philips-developed Plumbicon camera tube for b&w and color applications have excited broadcast engineers in recent months, and broadcast versions are due to be imported by North American Philips with CBS-TV guidance (Vol. 3:39 p5). Theatre Network TV, sponsor of Pentagon showing and distributor of color Eidophor, announced last week that it will also be exclusive distributor of Plumbicon closed-circuit cameras to U. S. govt. & industrial govt. contractors.

TV's sales punch was attested to at TvB's annual meeting last week by Leonard Lavin, pres. of Alberto-Culver, who credited medium with company's rise from $400,000 net sales in 1955, its first year, to about $80 million this year. Almost all of firm's $30 million budget is going to TV. But he warned of increasing costs: "While TV has helped do marvelous things for my company...I suspect that this is just stage one of a dark and devious plot hatched by you owners & managers...In the second & final stage...you get all the money." He said if present rates existed in 1955, he would have been discouraged from using medium, that if trend continues firm will use more of other media.

Survey of toy makers shows, surprisingly, that 1963 TV spending is increasing at slower rate than total media outlays: Total 1963 budgets are estimated up 19%, from $85,395,000 to $102,196,000, while TV has climbed only 7%, from $51,593,000 to $55,336,000. Growing toy commercial saturation on local shows is cited as one reason for TV's slower pace, in study by Toy Mfrs. of U. S. A.

TV investments will grow twice as fast as all advertising media by 1970, TvB Pres. Norman Cash predicts. He expects TV budgets to jump from $1.65 billion in 1960 to $3.3 billion in 1970, while total advertising will go from $12 billion to $18 billion, up 50%.

Portable TV tape recorder for industrial & educational use has been announced by Dage TV Co., div. of Harvey-Wells Corp., Cambridge, Mass. Made by Victor Co. of Japan, it weighs 147 lb., is priced at $12,450. Recorder has helical scan, uses 1-in. tape, can be stopped to hold single still frame. Monitor is built in.

Course for young Negroes on careers in TV-radio has started at WOW-TV-AM-FM Omaha, in cooperation with Omaha Urban League. About 12 boys & girls, from early teens to early 20's, are attending first course of 5 two-hour meetings.

Deadline for duPont Awards nominations is Dec. 31—to Curator, Alfred I. duPont Awards Foundation, Box 1153, Lexington, Va. Three winners—large TV or radio station, small station, commentator—will be announced at March dinner in Washington.

"Minicruiser," mobile Videotape recording studio in Studebaker station wagon, is being marketed by Ampex. It includes 97-pound Ampex VR-660 Videotape recorder & 8-in. monitor.

AB-PT has retained Ruder & Finn as corporate PR counsel. Firm also will help develop PR programs for ABC-TV and AB-PT's other interests.

Ch. 2 for ETV in Samoa has been allocated by FCC, at request of Interior Dept.

Personals

Clark Grant, promotion mgr., WOOD-TV-AM Grand Rapids, elected BPA pres... **Christine Fahy** named station relations dir., Keystone Bcstg. System.

C. George Henderson, WSOC-TV Charlotte, elected TvB chmn., succeeding **Gordon Gray**, WKTV Utica, who becomes chmn. ex-officio; **Jack Tipton**, KLZ-TV Denver, re-elected secy.; **Frank M. Headley**, H-R Television, named treas., succeeding Henderson.

Bernard Strassburg, assoc. chief of FCC Common Carrier Bureau, promoted to chief, succeeding **John Nordberg**, retiring... **Robert Cox**, FCC deputy exec. dir., joins HEW Dept. Dec. 2 as chief of new operations analysis staff.

Harry Plotkin, Washington attorney, possessor of rare blood type—Group A-subtype I-negative—only 10 such people known in U. S., read newspaper story of emergency need for case of heart surgery, donated. Has one complaint: "Why don't they call it 'I-positive'?"

Robert M. Akin, Storer Bcstg. finance dir., named vp & gen. mgr. of firm's Southern Cal. Cable TV... **Richard W. Ostrander**, national sales mgr., WTVN-TV Columbus, promoted to gen. sales mgr.

Thomas B. Jones, exec. program dir. of WFIL-TV & WFIL Philadelphia, named also to new post of program coordinator, Triangle TV & radio stations; **John F. Wade**, ex-Avery-Knodel, appointed to new post of national research dir., Triangle Stations.

Frederick J. Cudlipp, ex-eastern region mgr., Capitol Records EMI div., appointed CBS Laboratories' professional product marketing dir., newly-created post... **Frank E. Whittan**, ex-technical supervisor, radio WRCV Philadelphia, appointed technical field supervisor, WRC-TV-AM-FM Washington.

Douglas H. Donoho, CBS Radio sales staff, Chicago, promoted to Detroit mgr... **Elliott Ames**, ex-ABC-TV senior presentation writer, named promotion & client services mgr., Sports Programs.

Head of U. S. delegation to radio & space communications conference in Geneva, Joseph McConnell, was commended by President Kennedy for his "leadership." Onetime NBC pres., McConnell was given much credit for success of meeting to allocate frequencies for communications satellites.

Nephew of Rep. Harris (D-Ark.)—Willie Harris Jr.—elected vp of KGBT-TV Harlingen, Tex. He's been with station 7 years.

New video tape spot commercial or short programming reel with self-shipping box has been announced by 3M. The 6 1/2-in. reel holds 750 ft. of video tape for 10 min. recording time at 15 ips.

GE has received "one of its largest orders" from single station for TV studio equipment, from WWJ-TV Detroit, $700,000. It's part of 2-year $1.2 million expansion & modernization program.

Electronic standards converter, employing more than 2,000 transistors, has been developed by BBC to convert 625-line CCIR-standard TV pictures to British 405-lines.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington, D.C. 20006
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

Access to courtrooms by cameras & microphones is "dead issue," as far as American Bar Assn. is concerned, Al Hewitt of "Shreveport Times," told convention of AP Managing Editors Assn. recently. He termed it "serious setback for the press," criticized ABA study committee for giving "inordinate weight" to poll it conducted of bar presidents in 50 states—"many of whom have had little experience with cameras and microphones in the courtroom." He said photographic access has worked in Texas & Colorado, should be publicized. Reuven Frank, NBC News, at Group W public service conference said broadcasters "should argue it out with courts, not with ABA."

A right angry British type, Jonathan Miller, has first of series on American TV in Nov. 16 "New Yorker." He disagrees with TIO, one gathers. Example: "Television is a low-grade domestic seance in endless session, and the set goes to it with a vengeance, mouthing its gobbet of luminous cheesecloth until the tube burns out."

Movies are hit in France & Austria, according to recent reports by Commerce Dept. which says TV is one of major reasons. It says that French theater operators are seeking "some form of an operating agreement with French TV." Austrian TV set count was 420,000 July 1, vs. 376,000 in 1961, 49,000 in 1958. In Guatemala, Commerce reports, govt. is accepting bids for a 10-kw Ch. 5 transmitter.

There are 10,427 feature-length movies available to TV, according to Fall-Winter edition of "TV Film Source Book" published by Broadcast Information Bureau, N. Y. Of these, 2,997 are post-'48's, 1,205 are in color.

New rep firm formed by Richard Swift, ex-Bolling TV div. pres., & Richard Koenig, ex-Bolling vp in charge of radio, at 247 Park Ave., N. Y.; phone: MU 2-7770. Firm name awaits legal clearance.

Multiple-set homes in N. Y. 17-county metropolitan area have reached 35.3% of total, according to A. C. Nielsen study made for WNEW-TV.

"Careers in TV" & "Careers in Radio" are booklets now available from NAB. They were written by James Hulbert, mgr. of broadcast management dept.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

NOTICE TO SUBSCRIBERS: We call your attention to the copyright notice at the bottom of page 1. Television Digest is a service for the exclusive use of its subscribers. Partial or complete reproduction without permission, for internal or external distribution, is expressly prohibited as a violation of copyright. Brief quotations may be made by publications, without permission, provided the excerpts are attributed to Television Digest.

Most major organizations take advantage of our group rates to provide key executives with their own copies of Television Digest promptly and at reasonable cost. We will be pleased to supply information on a group package tailored to your company's needs.

GOOD BUSINESS HOLDS; PROSPECTS FAVORABLE: With TV & phono business roaring toward all-time sales record in 1963, economic indicators seem to show clear skies ahead well into new year.

Among welcome reports were 2 from Commerce Dept.: (1) Personal income rose in Oct. to all-time high, its biggest month-to-month increase in 1-1/2 years—5% above Oct. 1962 level. (2) Survey of consumer buying intentions, conducted during week of Oct. 13, showed increase in plans to purchase consumer products during next 6 months. Near top were intentions to buy TV sets—total of 5.1% of consumers polled, up from 4.9% in survey one year earlier. Only significant decline in buying intentions was in poorly-defined (and ridiculously-named) category of "radio & phonographic equipment," whatever that is.

Preliminary sales estimates for Oct. showed not only that TV business continued excellent, but gave some evidence of recovery in relatively depressed domestic radio market. Distributor-to-dealer TV sales for Oct. were unofficially placed at about 659,000, nearly 8% above the 612,000 of Oct. 1962, bringing 10-month sales figures to about 5,417,000, better than 7.5% higher than 1962's sales for same period. These figures, of course, include neither color sets nor 11-in. tinyvision.

TV import business also continues good, apparently, with U.S.-bound shipments from Japan setting new single-month record of 62,630 units (valued at $3,362,294). Imports are headed toward 500,000-mark this year, shipments from Japan already totaling 317,089 sets, or about 6% of domestic b&w production, for 9-month period.

Domestic radio sales in Oct. were very close to Oct. 1962 figures, perhaps equaling them. Preliminary tally placed them at about 1,043,000, compared with 1,063,000 in Oct. 1962 and 1,105,000 in Oct. 1961 (distributor-to-dealer). For year-to-date, total sales were about 7.6 million, 14% below 8.89 million of first 10 months of 1962. Inventories of both TV & radio continued to run 10-11% below 1962 (combined factory-distributor levels) at end of Oct.

With release of official EIA TV-radio sales data for Sept., our preliminary report last month on excellent Sept. business (Vol. 3:42 p8) actually turned out to be slightly conservative. The official good news is on p. 11.

NEW TUNER MAKER FACES 'PIRACY' CHARGE: Industrial Electronic Hardware Corp. last week announced plans to manufacture uhf tuners—and found itself confronted with legal action by General Instrument, largest uhf tuner maker.

GI got temporary restraining order Nov. 15 from N.Y. State Supreme Court to prevent IEHC from using its "trade secrets," pending Nov. 27 hearing on preliminary injunction. Basis of GI's action is presence on IEHC's staff of 2 tuner experts recently hired from GI's tuner-making F.W.

Sickles Div. —former chief TV tuner engineer Fred J. Kitty (now IEHC vp in charge of uhf tuners) and technican Vincent Forni.

Temporary order prohibits Kitty & Forni "from using or disclosing to IEHC any GI trade secrets & confidential information, and forbids IEHC to use any such information."

IEHC hopes to carve itself up to 10% of uhf tuner business, according to its announcement which states its first production line will have capacity of 15,000 tuners per week (or about 750,000 a year). IEHC Chmn. Bernard Offerman said this could "add about $5 million to sales" —indicating, by simple division, an OEM price of about $6.67 per tuner. Tuner production is planned in Chicago plant of IEHC subsidiary Raypar Inc.

Company's announcement said line would be in operation about May 1, and IEHC spokesman told us target date for industry sampling is "early Feb. or sooner." Officials would release no details about tuner itself, but assumption is that it would be transistorized. Uhf converter production is anticipated later.

IEHC, which also released 6-month earnings statement last week (see financial table), had 1962 sales of $6.245 million, recently purchased interest in Data Communications Inc., Moorestown, N.J. An old-line tube socket & TV-radio parts maker, IEHC has hq at 109 Prince St., N.Y.

There are currently 4 independent suppliers of uhf tuners —GI, Oak, Sarkes Tarzian & Standard Kollsman. Promise of market for 7-7.5 million tuners a year has prompted several other manufacturers to look at this field. Former TV tuner maker P.R. Mallory & Co. says it is re-entering field with detent-type transistorized tuner (Vol. 3:42 p7).

Another company planning to enter OEM tuner field is Gavin Instruments, Somerset, N.J. uhf converter manufacturer. Sales mgr. Joseph Kerner told us last week that set manufacturers have already been sampled, that his company is working on improved model, plans to be in production by May.

Uhf tuner field actually may not be as lucrative as some people think—because it may be spread mighty thin. Some set manufacturers will build all or part of their own requirements, including Admiral, GE, RCA, Zenith. Production of uhf tuners hasn't yet started in Japan—but when it does, you can expect large-scale imports. Vhf tuners are currently being imported by some TV makers, and 3 of the 4 independent U.S. tuner manufacturers have Japanese affiliates or licensees.

IMPROVING DISCOUNT IMAGE GAINS SHOPPERS: Although "low-margin movement" still has long way to go before it "gains complete acceptance from American shoppers," discount stores today have markedly higher degree of acceptance than they had just 2 years ago, in opinion of Dr. Ward J. Jenssen, Los Angeles marketing-management consultant.

"Concept of self-service is better understood, more widely accepted," he declared in Nov. 18 "Discount Store News" analysis of recent nationwide study of consumer attitudes toward discount outlets. "Most of the findings show that shoppers feel considerably better about low-margin stores than they did at the time of comparable research which we had undertaken in 1961. More families have shopped at discount stores, and a greater number include low-margin outlets as a part of their regular shopping patterns."

There's still negative reaction to discount stores, to be sure, he said, but "negative comments about discount stores were much fewer in number—and much less intense—than in our earlier study. By and large, quality of merchandise is perceived as having been upgraded," he continued, and "over all, low-margin outlets are regarded as more 'dependable,' 'reliable,' 'trustworthy,' and 'stable' than previously." General industry image "shows considerable improvement."

It's not all clear sailing for discounters, however. Shoppers noted one reservation which Dr. Jenssen regards as "particularly significant." He amplified: "Of the shoppers who express various dissatisfactions with discount stores, close to 60% specifically mention their inability to find 'new items' or 'new products' in low-margin outlets as one of the major reasons for their displeasure." As supporting evidence, it is interesting to note that discount houses are just beginning to offer color TV, although this "new" product has been generally available for several years.

Dr. Jenssen opined that "this grievance may be real, or it may be imagined. Either way, the fact that it emerges with such consistency among dissatisfied discount shoppers tabs it as one of the major remaining weaknesses of the low-margin movement."

For most part, though, "our recent findings speak extremely well for the discount industry and document that tremendous strides have been made by the industry in a relatively brief period of time." However, Dr. Jenssen emphasized, one of the major over-all marketing trends "I foresee shaping up for 1964 is a greater-than-ever emphasis on new products. If my predictions in this regard are correct," then fact that "shoppers do not expect to find new products in a discount store could develop into a major problem for discounters."

14 MORE FM-STEREO STATIONS START: Grand total of FM stations broadcasting in stereo in U. S. & Canada now stands at 256—possibly more, in view of fact that some stereocasters are slow in notifying FCC, and even slower about tooting their own horns.

Only 14 stations have started stereocasting since our last tally of July 15 (Vol. 3:28 p3). If you're keeping track of stereo markets you can add these stations (along with the ones reported July 15) to complete list we published May 20 (Vol. 3:20 p10).

These are most recent starters: KNIK-FM Anchorage, Alaska; WTAN-FM Clearwater, Fla.; WRBL-FM Columbus, Ga.; WXRT-FM Chicago; WXFM Elwood Park, Ill.; WIAA Interlochen, Mich.; WOIA-FM Saline, Mich.; WPRB (student-operated commercial station) Princeton, N. J.; KRSN-FM Los Alamos, N. M.; WABC-FM N. Y. C.; WRFM Woodside, N. Y. (Metropolitan N. Y. C.); WTOL-FM Toledo; WDOD-FM Chattanooga; WGRV Greeneville, Tenn.

TV-RADIO PRODUCTION: EIA statistics for week ended Nov. 15 (46th week of 1963) excluding 11-in. and smaller:

	Nov. 9-15	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV. . .	152,288	165,396	117,781	6,289,558	5,838,464
Total radio	450,019	416,598	431,255	16,221,094	17,060,406
Auto radio	204,651	200,470	185,107	7,035,559	6,214,427

TOPICS & TRENDS

Removal of excise tax on all-channel sets is being pushed by FCC, Comr. Lee spearhead. He said meeting with Treasurer Secy. Dillon has been sought. "I'm optimistic," Lee says, "but I guess I'm pretty much alone. I'm going to argue that there wouldn't be a serious loss in taxes because it would stimulate set sales, produce faster conversion of receivers. I'm going to argue that the case is unique, that Congress pushed the all-channel law down the manufacturers' throats but that it isn't telling any other similar industry what to make or not to make."

All-channel law & FCC rules cover set shipments to Puerto Rico, FCC announced, responding to GE inquiry (Vol. 3:49 p10). Commission pointed out that Sec. 330 & 303(s) of Communications Act make it explicit.

Parts wholesalers who sell retail—either parts or service—are squeezing independent service dealers out of business. So said NATESA Exec. Secy. Frank J. Moch in testimony before House Small Business subcommittee investigating dual distribution. "Legitimate markups on parts," said Moch, are "absolutely essential to survival of the servicer."

Free 90-day carry-in service is being offered on all Admiral portable TV sets by Admiral Corp.-Chicago Div., with "while-you-wait" service in most cases. For $6.95, consumer can extend this parts-&-labor warranty to full year.

NEB. TIME-SALE MUDDLE—CONT'D... Despite advice from state's legal leader that voided contracts can't be revived, Nebraska Legislature has rushed through 4 remedial bills to protect retailers & financing agencies from loss of some $1 billion in merchandise sold under instalment contracts since 1959 (Vol. 3:44 p7).

They face staggering loss of product, interest & principal in wake of State Supreme Court's decision in Oct. which voided 1963 Instalment Sales Act, hastily written this summer to replace 1959 Instalment Sales Act declared unconstitutional by Court in July.

New Acts also will get Court axe, in opinion of state Attorney General Clarance Meyer. "They're also unconstitutional," he told us. "I've already told that to the Legislature, in writing." Markedly more optimistic is Marvin R. Werve, consumer credit vp for Omaha National Bank. "In 1958," he told us, "a previous Supreme Court upheld the principle in these remedial bills."

In addition to passing the 4 remedial bills, Legislature was slated to convene in special session at 12:01 am Nov. 23 for final hearing and vote on LB-11 bill that overhauls state's interest structure & on a constitutional amendment, to go on state ballot next Nov., which would empower Legislature to establish special interest rates for various product groups. Why the wee hour meeting? Werve explained: "Saturday is the big Nebraska-Oklahoma football game, and nobody wants to be stuck here Saturday afternoon debating bills."

Remedial bills—3 signed into law Nov. 15, one passed last week—relate to various aspects of the time-sales muddle, Meyer told us, and all are written along same lines. "They are designed to have a retroactive effect," he explained, & their key point is to reduce penalties. One Act, for example, provides that all instalment contracts written since 1959 come under state's 9% usury law. If such contracts are in violation of 9% simple interest ceiling, then they would be subject to penalty of usury law—"just the loss of interest." Another of the 4 Acts validates all contracts voided by the Supreme Court decision if they were written in good faith, i.e., in accordance with requirements of the 1959 & 1963 Instalment Sales Acts.

"I believe all 4 Acts will be tested in court promptly," Meyer emphasized. "In fact, these Acts already have been introduced as defense in several cases which went before the Supreme Court & District Courts this week." These are cases filed by consumers to retain products purchased under instalment contract & to recoup payments already made.

We asked Meyer what would happen if courts rule new Acts unconstitutional, as he expects will happen. "In that event, the present situation in Nebraska would remain unchanged. The voided contracts would remain void, & consumers would be free to file suit to retain their purchases & regain payments made on their contracts. There is, of course, a one-year statute of limitation on these contracts." Under new law passed in July, purchasers must file within one year of date of law's passage or within one year from date of final payment.

"This state will be in a helluva shape" if courts knock down 4 remedial bills, in Werve's opinion. "The big national financing agencies would pull out of Nebraska," he said. Should Supreme Court void new Acts, there still remains one avenue of hope: "One possible remedy is a declaratory judgment by the Court that it will not invalidate any future contract. However, this would not affect those contracts on which consumers already have obtained judgments."

It's estimated that some 200 cases already have been filed by consumers. Some of the sums involved are staggering, and in some instances, Werve told us, the violations involved amount to as little as 24¢ overcharge above 9% usury limit.

Nebraska sales have slowed markedly in wake of time-sales muddle. "Sept. sales were down 27% despite fact that this is the big back-to-school month & that sales throughout the nation were up," Werve said. Meyer pointed out that "on straight instalment sales today, the only safe procedure is to keep total interest charges within the 9% usury limit."

While Meyer is of opinion that contracts already pronounced dead will stay dead, he's convinced that upcoming LB-11 bill, which overhauls state's interest structure, "can be successfully defended" as constitutional.

Interest law bill would reduce number of loan categories from 8 to 3—standard loans, instalment sales, instalment or personal loans. It would retain 9% interest ceiling on standard loans, establish rate on instalment sales at up to 12% annual simple interest, revamp present instalment loan law by setting maximum loan at $1,500 from $3,000, and pegging interest rates at 30% for first $300, 24% for next $200. 12% on final $1,000

"Usury structure on instalment sales contracts would be 12% simple or $6 per $100 per year." Werve explained. "This would be down considerably from the previous rates under which retailers were allowed to charge as high as $15 per $100 per year. These higher rates were passed by heavy lobbying, and they didn't sit well with the public."

Extended warranty controversy among home electronics & appliance manufacturers & retailers is explored by Nov. 19 "Wall St. Journal" which noted that GE, Magnavox, Admiral & others "in the past year or so have been strengthening guarantees and warranties on one or more of their products" in belief that manufacturer can "boost sales by broadening his promise to make good on defective products." However, "some manufacturers and retailers contend that these companies are wasting their time and boosting the cost of their products. They claim that a consumer is primarily concerned with the price and features of an appliance." In latter group are RCA and Zenith, "Journal" noted and quoted Zenith's Leonard C. Truesdell: "We haven't felt any pressure to do it, and an extended warranty has to be figured into the cost somewhere." RCA was quoted: "We prefer to let our dealers decide whether to extend warranties." Major bone of contention was cited by Sam Boyd, onetime NARDA pres., who, "Journal" noted, "Says many dealers feel that liberalized manufacturer's warranties on some products not only increase cost but also cut into a dealer's own repair business. He adds that manufacturers' allowances for labor involved in guaranteed repairs usually don't cover dealers' costs."

New sets: New **GE** "Accent" radio line, especially designed for key retailers, has 10 models, including FM stereo radios, listing at $14.95-$229.95... **Andrea** introduces 2 tambour-door contemporary lowboy color sets at $975 (remote) & $875.

SEPTEMBER'S RESULTS: Official confirmation of our report last month that Sept. was best single TV sales month since 1956 (Vol. 3:42 p9) came last week from EIA Marketing Services Dept. in terms of sales figures. Preliminary results for Oct. indicated excellent business is continuing (see page 7).

EIA's official TV statistics look even better than preliminary Sept. reports did. Exclusive of color sets and 11-in. merchandise, they show distributor-to-dealer sales of domestic TVs ran close to 10% ahead of 1962's very good Sept. For year's first 3 quarters, sales were 7.5% above 1962 period.

Radio sales were down once more, about 9.7% below Sept. 1962 and running 15.6% behind last year on 9-month basis. Production figures showed all-channel sets at 17% of total TV output in Sept., 14% for first 9 months. All-channel output in Sept. was nearly double that of one year earlier, while it was 75% above 1962 for year-to-date. FM radio production in Sept. was only 7% higher than year-earlier figure, but up 33.5% for 9 months.

Here are EIA figures, to which we have added year-ago comparisons (11-in. TV sets excluded):

TV-RADIO DISTRIBUTOR SALES

	Black-&-White TV		Radio (excl. auto)	
Month	1963	1962	1963	1962
January	503,821	465,836	453,348	562,869
February	535,999	521,275	616,036	697,893
March	601,797	580,876	818,510	917,236
April	395,166	364,742	637,443	809,499
May	378,215	310,799	598,410	772,479
June	541,810	480,510	811,923	1,040,598
July	448,441	449,528	698,043	921,089
August	549,421	518,451	849,274	848,881
September	803,521	731,100	1,133,464	1,255,346
TOTAL	4,758,191	4,423,117	6,616,451	7,825,890

BLACK-&-WHITE TELEVISION PRODUCTION

	Total		All-Channel	
Month	1963	1962	1963	1962
January	484,415	488,869	58,032	39,609
February	557,931	541,494	63,713	46,715
March	696,435	659,251	76,481	48,323
April	548,637	510,587	70,405	51,107
May	507,499	474,647	57,208	39,409
June	665,004	620,653	107,500	50,283
July	384,291	336,409	75,589	28,359
August	565,198	500,693	90,457	44,862
September	779,405	731,517	133,265	70,299
TOTAL	5,188,815	4,864,120	732,650	418,966

RADIO PRODUCTION

	Total		Auto Radio		FM	
Month	1963	1962	1963	1962	1963	1962
January	1,229,507	1,350,630	594,505	530,589	87,641	76,510
February	1,389,652	1,464,797	657,691	480,232	75,544	84,216
March	1,568,381	1,810,417	677,613	607,510	100,940	81,010
April	1,359,769	1,472,654	596,899	519,296	102,208	63,193
May	1,384,063	1,444,074	555,812	504,846	119,756	62,292
June	1,653,866	1,721,873	670,106	629,004	154,818	92,287
July	990,605	1,134,250	331,816	403,946	120,825	68,037
August	1,252,878	1,253,753	489,327	427,747	119,963	98,609
September	2,103,447	2,196,371	952,129	887,104	176,260	165,433
TOTAL	12,932,168	13,848,819	5,525,897	4,990,274	1,057,955	791,587

Uhf signals, when no stations are available, are provided by portable 10-lb. vhf-uhf translator for dealers & technicians, offered for "under $100" by Standard Kollsman.

Trade Personals

Victor Mucher resigns as Clarostat pres. & treas., continues as a dir.; **Francis Chamberlain** resigns as sales & mktg. vp; **Russell E. White**, formerly controller, named finance vp. **George Mucher**, exec. vp, also named chief exec. officer until new pres. is elected.

Arthur L. Chapman, formerly Pacific Mercury Electronics exec. vp, appointed Hallicrafters exec. vp & gen. mgr., succeeding **Stanley E. Rendell**, resigned.

Matthew N. Cinelli, ex-Westinghouse, named mgr. of Philco's Consumer Products Div. electronics plant, succeeding **John N. McDowell**, now assigned to staff of **Fred J. Meredith**, gen. mfg. mgr... **Leon M. Schachere**, ex-Stromberg-Carlson & Magnavox, promoted to new post of Eastern regional mgr., Sylvania Home & Commercial Electronics Corp.

Charles J. Coward, GE Audio Products Dept. gen. mgr., elected a dir. of subsidiary E. I. Co. Ltd., Shannon, Ireland maker of TVs, radios, phonographs.

Daumant (Del) Kusma, ex-Philco Lansdale Div. mfg. dir., joins International Resistance as operations dir., responsible for 3 divisions: Instrumentation & Systems, North American Electronics, St. Petersburg.

James S. Farnell, former Westinghouse radio & phonograph product mgr., named Lloyd Ultrasonic and Lloyd Trading mktg. mgr., a new post.

Herman Schkolnick promoted to mgr. of new Electro-Visual Products Dept., Du Mont Labs Divs. of Fairchild Camera, with responsibility for all TV equipment design, development & marketing.

"Broadcasters' bookings good," noted Nov. 20 "Financial World," adding: "There is more than a hint that the broadcasting industry has come of age and its leading equity issues may be regarded more properly as investment media than as glamour stocks poised for further spectacular growth." Profile pointed out that total network gross time billings rose 6% in first half from year earlier, noted that CBS economist David Blank "has predicted for the industry a network gain of 8-9% in billings this year." CBS drew "World" accolade as "undisputed earnings leader in the field." NBC "continues to give an undisclosed profit to RCA," and AB-PT, "although it chalked up the best advance in billings" in first half [8.4% vs. CBS' 5.7% & NBC's 4.7%] posted 9-month results "below those of year ago." Magazine emphasized that "independent TV-radio broadcasting chains have shared in the general prosperity," spotlighted Metromedia, Storer, Taft.

Radio Shack shareholders have approved financial reorganization of the Boston-based retail & mail-order electronic parts distributing chain now controlled by Tandy Corp. (Vol. 3:44 p12). They also authorized increase in capital stock to 5 million from 1 million shares, portions of which will be offered to existing stockholders, later to public.

Raytheon will drop patent infringement suit against Thermowave Corp. in wake of agreement under which latter will make & sell microwave ovens under Raytheon patents. Among other Raytheon licensees for microwave cooking equipment: Litton Industries, Tappan, Rudd-Melikan, American Monarch, Di-Arco Corp.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Audio Devices	1963—9 mo. to Sept. 30	$ 6,373,945	$ 667,872	$ 340,872	$0.39	868,371
	1962—9 mo. to Sept. 30[1]	—	—	—	—	—
Chris-Craft Industries	1963—9 mo. to Sept. 30	52,684,402	2,376,303	1,436,303[2]	1.04	1,376,672
	1962—9 mo. to Sept. 30	51,693,524	2,616,309	1,481,309[2]	1.08	1,376,672
	1963—qtr. to Sept. 30	13,628,873	99,176	59,176[3]	.04	1,376,672
	1962—qtr. to Sept. 30	13,347,054	(24,843)	45,157[3]	.03	1,376,672
Consolidated Electronic Industries	1963—9 mo. to Sept. 30	133,136,607	8,137,000	3,822,355	1.20	3,178,653
	1962—9 mo. to Sept. 30	125,613,418	7,750,818	3,690,818	1.16	3,172,377
Electronic Assistance	1963—9 mo. to Oct. 31	8,674,000	—	1,034,000	.72	—
	1962—9 mo. to Oct. 31	1,624,000	—	(225,000)	—	—
	1963—qtr. to Oct. 31	3,629,000	—	397,000	.27	—
	1962—qtr. to Oct. 31	513,000	—	(29,000)	—	—
EICO Electronic Instrument	1963—year to Sept. 28	7,422,939	(98,942)	(46,942)[4]	—	607,143
	1962—year to Sept. 28	8,692,357	281,427	136,427	.22	607,143
Industrial Electronic Hardware	1963—6 mo. to Sept. 30	3,490,924	—	75,242	.10	737,297
	1962—6 mo. to Sept. 30	2,975,772	—	28,901	.04	716,307
Lafayette Radio Electronics	1963—qtr. to Sept. 30	6,650,841	127,925	79,940	.08	1,061,675
	1962—qtr. to Sept. 30	6,381,124	307,163	179,161	.17	1,061,675
Litton Industries	1963—qtr. to Oct. 31	154,029,000[5]	—	6,536,000[5]	.62[6]	10,602,017
	1962—qtr. to Oct. 31	127,309,000	—	5,212,000	.51[6]	10,031,382
MCA	1963—9 mo. to Sept. 30	—	—	9,530,000[7]	1.90[7]	4,538,770
	1962—9 mo. to Sept. 30	—	—	9,190,000[7]	1.87[7]	4,519,603
	1963—qtr. to Sept. 30	—	—	2,340,000	.45	4,538,770
	1962—qtr. to Sept. 30	—	—	2,560,000	.49	4,519,603
Oxford Electric	1963—9 mo. to Sept. 28	7,533,128	(127,016)	(127,016)	—	461,989
	1962—9 mo. to Sept. 28	6,970,312	143,661	71,661	.16	436,466
Pacific Industries	1963—year to Aug. 31	28,464,218	—	(249,837)[8]	—	1,827,239
	1962—year to Aug. 31	24,447,022	—	511,981	.27	1,627,239
Packard Bell Electronics	1963—year to Sept. 30	49,435,135	1,171,196	1,081,196[9]	1.27[9]	854,668
	1962—year to Sept. 30	49,683,033	(1,411,848)	(1,427,848)	—	854,043
Paramount Pictures	1963—9 mo. to Sept. 30	—	—	3,582,000[10]	2.21[10]	1,620,481
	1962—9 mo. to Sept. 30	—	—	594,000	.36	1,670,281
	1963—qtr. to Sept. 30	—	—	2,972,000	1.83	1,620,481
	1962—qtr. to Sept. 30	—	—	(1,107,000)	—	1,670,281
Pentron Electronics	1963—qtr. to Sept. 30	2,369,113	—	58,223	.02	2,532,644
	1962—qtr. to Sept. 30	2,687,578	—	120,525	.05	2,441,037
Philips Lamps	1963—9 mo. to Sept. 30	1,169,546,000	—	66,442,000	—	—
	1962—9 mo. to Sept. 30	1,031,658,000	—	63,662,000	—	—
Thompson-Starrett (Delmonico)	1963—9 mo. to Sept. 30	26,724,929	882,585	436,385	—	2,847,545
	1962—9 mo. to Sept. 30	18,231,678	596,207	499,007	—	2,820,145
Warwick Electronics[11]	1963—26 wks. to Sept. 28	53,748,000	1,862,000	900,000	.22	4,001,145
	1962—26 wks. to Sept. 29	47,325,000	1,573,000	766,000	.19	3,972,997

Notes: [1]Year-ago figures not available. [2]Includes $123,000 net profit from sale of NAFI Telecasting operating assets. [3]After $70,000 tax credit. [4]After $52,000 tax credit. [5]Record. [6]Adjusted for Dec.-1962 2-1/2% stock dividend. [7]Before 46¢ per share nonrecurring gain. [8]After $448,326 net capital gains from sale of 2 properties and $293,578 tax credits. [9]Before nonrecurring income equal to 15¢ a share from sale of land and Bellwood Div. (Nov. 1962). [10]Before $1,785,000 ($1.10) profit on sale of investments. [11]Includes performance of Pacific Mercury Electronics, merged Oct. 28 (Vol. 3:44 p12), on "pooling of interests" basis after eliminating intercompany transactions.

NAB LIBRARY

WEEKLY

Television Digest

with

Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

DECEMBER 2, 1963 NEW SERIES VOL. 3, No. 48

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

JOHNSON ADMINISTRATION, AND THE INDUSTRY: Speculation leans toward less-tough FCC, gradual drift of Kennedy appointees, such as Chmn. Henry from govt. Mrs. Johnson puts station holdings in trusteeship. Old New Dealers prominent among Johnson advisers (p. 1).

THE INDUSTRY ACHIEVEMENT in coverage of assassination & aftermath reaps nation's appreciation. Costs estimated as high as $100 million. World reached via satellite & recordings (p. 2).

BELL'S OUTLOOK FOR CODES: New Code Authority dir. will unveil recommendations at TV & radio Code Board meetings in Jan. Urges broadcaster & advertiser cooperation, more research. Sees threat of civil suits in proposal for joint agency Code support (p. 3).

ARF EXPANDS MEDIA RESEARCH ACTIVITY: Forms new 'Committee on Improving the Measurement of Advertising Media,' has ticketed Detroit methodology study sponsored by ARB & RKO-General as "Experimental Study #1". Project expanded to cover all media (p. 4).

FCC HITS METROMEDIA WITH OWNERSHIP QUIRK— mutual fund owning more than 1% of its stock and that of Taft—thus violating rules. Purchase of Baltimore radio stations conditioned on compliance (p. 4).

COLLINS ATTACKS LUCKIES COMMERCIAL: NAB head calls it 'brazen' & 'cynical' in appeal to youth. Urges churchmen to take complaints to broadcasters (p. 5).

Consumer Electronics

ECONOMY STRONG, business climate good, consumer electronics leaders agree; some see temporary buying slowdown, but predict Johnson administration will be favorable to business (pp. 7 & 10).

ALL-CHANNEL PRICE HIKES next year will be ingeniously hidden, manufacturers agree, facing problem of taking water out of already-dehydrated sets; price leaders seen starting at same point as today; mad scramble on for foreign parts; across-line average boost as low as $15 (p. 7).

COLOR SET STATISTICS on production & sale to be urged at EIA meeting this week, in all-out push to restore integrity of market data; immediate decision not anticipated (p. 8).

JAPANESE EXPORT PRICES continue drop, as 9-month figures show increased shipments; average TV price dropped from $59.34 to $53.71 in Sept. 1963; transistor radio 9-month average price is $7.89 (p. 9). Table of Japan-to-U.S. shipments (p. 10).

JOHNSON ADMINISTRATION, AND THE INDUSTRY: You can get complete spectrum of speculation in Washington, but virtually no information, on what Johnson Administration may mean to TV-radio industry. (For roundup of opinion on consumer electronics industry, see p. 7.)

Mrs. Johnson moved promptly last week to disassociate President from financial connections with industry, by filing application with FCC to put control of her broadcast interests in hands of trustees A.W. Moursand & J.W. Bullion, Johnson City, Tex. Stock is to be held in trust for Johnsons' 2 daughters. Mrs. Johnson will resign as chmn., have no voice in management. President Johnson is said to have had nothing to do with running stations. Johnsons have no holdings in other federally-regulated industries.

Mrs. Johnson holds 52.8% of LBJ Co., licensee of KTBC-TV Austin, plus minority holdings in KWTX-TV Waco, KBTX Bryan, radio KNAL Victoria (all Tex.), KVII Ardmore, Okla. Moursand & Bullion now own 30.9% of LBJ Co., will also control Mrs. Johnson's 52.8%.

Common assumption here is that FCC's tough regulatory stance would rub President Johnson wrong way. If this is true, it would mean that FCC Chmn. Henry will be leaving before very long. This is because Presidents get results they wish primarily by appointing men who think as they do—

Copyright 1963 by Television Digest, Inc. Reproduction in any form, without written permission, prohibited.

not by telling regulatory agencies what to do. There's recurrent talk, of course, that Attorney General Kennedy will resign, after "decent interval," and that many Kennedy appointees will follow suit.

Henry has "placed myself at the President's disposal"—customary practice of Presidential appointees when new chief executive takes over. Meanwhile, Henry says: "It's business as usual here—as usual as it can be after such a tragedy."

Because of his long & influential role in Congress, Johnson has extraordinarily broad & deep acquaintanceship with leaders in all industries and in govt.—in addition to his relationships with world leaders as Vice President. So, heads of networks, groups, individual stations, plus newsmen, are well known to him.

Many of Johnson's most-trusted advisers are names out of the New Deal—Benjamin Cohen, Dean Acheson, Abe Fortas. His long-time top administrative aide is Walter Jenkins. Senators close to him include: Magnuson (D-Wash.), Pastore (D-R.I.), Fulbright (D-Ark.), McCarthy (D-Minn.), Dodd (D-Conn.). Others in govt. close to him are: Cyrus Vance, Secretary of the Army; Harry McPherson, a Vance deputy; William Moyers, Peace Corps deputy. Among Washington TV-radio figures, some who have worked with Johnson are: Frank Russell, retired NBC vp; Leonard Marks, who was treasurer of Johnson's campaign committee; John Hayes, of Post-Newsweek stations, who helped in use of TV-radio during campaign.

You can weave plausible-sounding speculation about all kinds of "ifs." If Henry leaves, will incumbent FCC Democrat be elevated to chmn.—Bartley, Cox or Loevinger? Most guessers predict there'd be a new man, because there's probably more political advantage in such move. Republican Comr. Ford, whose term is due to end next July 1, presumably has excellent chance of reappointment if he wants it. Heretofore, there was talk that Kennedy Administration would replace him with a Republican of its own choice.

THE INDUSTRY ACHIEVEMENT: A nation's gratitude & recognition, beyond anything it has ever known, has been accorded the TV-radio industry. Networks & stations poured unceasingly of their superb people & equipment to give the nation what it needed. Aside from fullness of coverage, industry by its whole tone provided a base of stability to the national mood—grief rather than anger, then hope rather than panic. The industry's contribution is a perfect subject for a book by an able historian. A selection of tributes is well worth listing:

(1) President Johnson himself, on night of Nov. 25 called the patriarch of news commentators, H. V. Kaltenborn, to thank him for his comments on NBC-TV's "LBJ Report No. 1."

(2) Presidential news secretary Salinger relayed to TV-radio & press the appreciation of Mrs. Kennedy, Kennedy family and those closest to them "for the very dignified manner in which they covered the death of the President and the events which followed it."

(3) FCC Chmn. Henry on behalf of Commission: "Americans are deeply indebted to the broadcasting industry for its comprehensive, dignified coverage of the tragic & solemn events surrounding the death of President Kennedy...In this hour of tragedy, broadcasting achieved greatness."

(4) Sen. Magnuson (D-Wash.), chmn. of Commerce Committee: "The remarkable coverage during this period of shock, bewilderment & confusion attests to the skill & maturity of electronic journalism...I would estimate [the cost] runs into the millions of dollars...I must state for the record that the excellent performance of recent days brings to them the highest commendations that I can make."

(5) Rep. Harris (D-Ark.), chmn. of Commerce Committee: "The performance...tends to offset much of the criticism leveled against the industry...Having been a frequent critic of particular aspects of the broadcasting industry, I am particularly gratified that I can say to the industry today thanks for a job well done. We can say truthfully today that we Americans have felt fused together as one people largely because of the outstanding contribution made by the broadcasting industry."

(6) Sen. Pastore (D-R.I.), chmn. of Communications Subcommittee: "Skillful, respectful, detailed & tasteful coverage...Superb performance—electronic journalism at its best and public service programming in the true meaning of the phrase..."

(7) Sen. Gore (D-Tenn.): "Deep appreciation for the sensitive & magnificent coverage...I do this,

first, out of deep gratifude; and second, because heretofore I have been a critic of the programming & commercialism of TV & radio."

(8) Sen. Proxmire (D-Wis.), also a frequent critic: "The intelligence & sensitivity of the commentary and the continuously expressed dedication to this country's strength & solidity in its hour of terrible grief was superb."

(9) Rep. Sisk (D-Cal.): "We all recall charges against this industry and statements with reference to the 'vast wastelands,' many of which I have agreed with in the past, but I am proud to say... That this great industry has finally grown to adulthood and has contributed an outstanding service to America and to the world."

* * * * *

Network duties were staggering. Many hundreds of people worked under enormous tension, many around the clock. Individual groups & stations gave all they had.

Costs were enormous. Estimates run up to $100 million for whole industry—most of it irretrievable. Industry gave unstintingly. (We know of only one blatant note—an ad more than 1/4 page, taken in Washington papers by local radio broadcaster who asked: "I wonder how many realize the tremendous losses in revenue incurred by these stations? I wonder if the above will be overlooked along with some newspapers that were filled with advertisements...")

Hundreds of millions of people in rest of world got coverage live, filmed or taped—via satellite or jet—and kudos poured in from virtually entire world.

In Washington, pervasiveness of radio was astonishing. As one stood on cortege routes, thousands of transistor radios made it sound as if subdued public address speakers were strung along streets. Demand for batteries taxed supply.

Print media have done well in national crises & tragedies. Radio brought events even closer. TV, now, makes the public involvement complete. More than ever, public & govt. leaders will look to TV & radio to keep them together in the critical aftermath.

BELL'S OUTLOOK FOR CODES: Howard Bell takes over as Code Authority dir. today (Dec. 2). Though he's done his homework, he says his real education is just beginning, and "stakes are high."

Bell is collecting ideas & recommendations to carry Code program "forward." These he will unveil at separate TV & radio Code board meetings sometime in Jan. before semi-annual gathering of full NAB board.

Bell is an optimist with an open mind on Code problems. But he's sure of at least 2 things: (1) If Code is going to work, it will need full cooperation of all elements of business. (2) Entire Code approach needs basic research to suggest fresh ways—or possibly, to confirm merits of old ways. He's not entirely convinced, for example, that quantitative "time" standards can't be made to work.

One of Bell's major concerns is relationships among broadcasters, agencies & advertisers. His view: "We should know their problems and concerns, but in the final analysis, it is the broadcaster who has to establish the ground rules for use of his facilities."

Advertising fraternity will support industry's self-regulatory efforts, Bell believes: "Government encroachment would hurt everybody. The press is aware of its involvement, too, and has generally supported the industry in its current battle over government restrictions."

Ad agencies probably will have to make individual judgments in supporting Code, Bell said. He points out that even if Justice Dept. were to clear any joint agency move to back Code, this would erase only the threat of criminal anti-trust action. There would still exist threat of other legal action —where non-Code station claiming injury because of alleged conspiracy could pursue civil suit, which can yield treble damages. "This wouldn't help the Code very much," Bell said.

Biggest help Code must get is greater support from industry itself. "We've got to find ways to increase its acceptance and implementation," Bell repeatedly asserted. He believes stronger Code

may be part of answer: "The Code will have most respect when it means what it says," meaning "sanctions," too.

If Codes are to have new look, research will lead way. NAB has contracted with Columbia U. for analysis of certain raw data on commercials that were part of psychologist Gary Steiner's research, but not included in his report—"The People Look at Television." It's hoped this will be ready in Jan. Bell feels strongly that qualitative standards, especially, will have to be guided by research because these criteria are "extremely subjective."

* * * * *

FCC's legal memorandum, to support authority to set limits on commercials, has been approved by Commission, will be delivered this week to Rep. Rogers (D-Tex.), chmn. of Communications Subcommittee. At hearings, FCC said its authority comes from public interest mandate, its powers to classify & prescribe nature of broadcast services, plus Supreme Court decisions stating if issues can be dealt with on case-by-case basis, they can be handled by over-all rule. FCC oral argument is set for Dec. 9.

ARF EXPANDS MEDIA RESEARCH ACTIVITY: Responding to cries from some admen that it take stronger hand in research reform, Advertising Research Foundation has formed new "Committee on Improving the Measurement of Advertising Media," simultaneously expanding its interest in Detroit methodology study sponsored by ARB & RKO-General.

Originally retained as consultant, ARF has ticketed Detroit project as Committee's "Experimental Study #1". It's estimated that cost of study to ARB & RKO-General is about $70,000. Project was designed primarily to test ARB's experimental individual diary—as opposed to family diary—in measuring today's radio listening. But it has been expanded now, under ARF scrutiny, to examine new diary's ability to measure all media.

Field work, to take 4 weeks, will probably begin in Jan. First results won't be known until late in March. Base of project has been expanded to determine: (1) Value of 7-day individual diary in measuring total radio. (2) Value for simultaneous measurement of all media. (3) Possibility of converting individual TV-radio exposure into family units. (4) Whether individual diary can provide depth of exposure to print media, i.e. what proportion of pages are looked at. (5) Whether media exposure can be related to sales by determining degree of cooperation among housewives in keeping product purchase diary following their participation in multi-media diary sample.

In other rating developments: (1) Plans are expected to be finalized this week for incorporation of NAB's Rating Council—held up in hope that AAAA & ANA would become full members of board. Chances now are that they will have "associate" status. (2) RAB & NAB have expanded their steering committee, to implement joint $200,000 radio methodology study, from 5 members each to 7. It's understood action was taken to expand geographical representation. First meeting is scheduled Dec. 6.

FCC HITS METROMEDIA WITH OWNERSHIP QUIRK: New problem for multiple owners with public stock outstanding has been raised by FCC. It came to head last week in Commission consideration of Metromedia's purchase of radio WCBM & WCBM-FM Baltimore for $2 million. FCC found that a mutual fund owns more than 1% each of Metromedia & Taft; rules provide that no one can own more than 1% in more than 7 stations. So—FCC granted approval on condition Metromedia "demonstrate compliance with" rules.

Metromedia now must get the mutual fund (unidentified) to sell off enough stock in either company to bring holdings below 1%. Will fund demand outrageous ransom? Metromedia is worried—for it has no control over fund.

If Metromedia runs into trouble, many other similar groups—including networks—may be in for trouble, unless Commission relents. In case of publicly held mutual funds, their holdings can be determined readily because they're published. But what if an individual stockholder is the "violator"? Broadcaster knows his stockholders, but not others', thus may be in violation without knowing it. It's up to FCC, apparently, to gather the data, compare lists of holders. Some at Commission were reluctant to sock Metromedia with "condition" now, plumped for unconditional grant to be followed by Commission study of whole problem. But majority of 6 commissioners present (Hyde absent), concluded condition had to be imposed. Comr. Bartley abstained; Loevinger dissented.

COLLINS ATTACKS LUCKIES COMMERCIAL: NAB Pres. Collins assailed current Lucky Strike commercial as "brazen, cynical flouting of the concern of millions of American parents about their children starting the smoking habit."

"Lucky Strikes separate the men from the boys, but not from the girls," he said, is just like saying: "If you will smoke Luckies you will acquire the virtues or the manners of manhood." In address to Assembly of United Churchmen, National Council of Churches, Collins said tobacco firms generally have taken steps to minimize their appeal to youth, in response to plea he made previously.

He observed once more that "specific action" by broadcasters on tobacco commercials awaits Surgeon General's report, due out in Jan.

Alluding to Council pronouncement of last June calling for increased govt. control over TV, Collins said the way to improve TV is not by "the morally-indignant but spiritually-lazy: 'There ought to be a law.'" He urged gathering to take its complaints about broadcasting to broadcasters. He said if FCC must become involved, "tell the FCC to consider your charges on the issue of whether or not the offending station should or should not be licensed. But do not demand that the FCC tell the station how it must meet its program responsibilities."

Screen Gems earnings in fiscal 1964's opening quarter ended Sept. 30 topped record $467,717 posted a year earlier and "give us a fine start" for the new year, Jerome Hyams, exec. vp & gen. mgr. told annual meeting. Figures are not yet available. Leo Jaffe, SG first vp and exec. vp of parent Columbia Pictures, which owns 89% of the subsidiary, said "we have every reason to believe our growth will continue unabated." Though SG's prime evening TV network programming is down to 4 hours from 6 last season, and its "Redigo" show "has not proven a success and will leave the air Dec. 31," it has about doubled its network re-run programming to 3 hours, has sold 2 new 30-min. cartoon programs (one debuts in Jan., other in Aug.) and is producing pilots for 4 other TV shows which haven't been sold. It's also producing 26-installment series narrated by former President Truman, "HST: The Decisive Years," which has not yet been offered for TV sale.

Filmways profit in fiscal 1963 ended Aug. 31 topped $120,000 vs. year-earlier loss of $125,860. Revenue, however, slipped to about $11 million from $12.8 million. Chmn. Martin Ransohoff attributed profit to reduced expenses, consolidation of operations and termination of unprofitable TV-commercial production in N.Y. Withdrawal of N.Y. production resulted in fiscal-1963's revenue decline. He said that earnings in fiscal-1964's opening quarter, ended Nov. 30, would be at least as good as year earlier's $44,880.

NAB has named special committee of 12 broadcasters to join Pres. Collins & staff when they meet with National Council of Churches in N.Y. Dec. 9. Meeting was prompted by anti-TV pronouncement of NCC last June. Campbell Arnoux, WTAR-TV Norfolk, is chmn.

Broadcast scholarship has been established by Assn. of Broadcast Executives of Texas. First award of $500 will be for term starting next Sept. Recipient must have completed one year of college in Texas with TV-radio as career objective.

New Starter: WHNT-TV (Ch. 19) Huntsville, Ala. got program test authorization Nov. 26 for Thanksgiving Day debut as CBS-TV outlet. It's year's 14th new station, brings operating total to 648 (116 uhf). It has 25-kw RCA transmitter and 254-ft. used Blaw-Knox tower. Charles Grisham, ex-WAPI-TV Birmingham, is pres., 25% owner, gen. & sales mgr.; Bob Jones is operations mgr.; V. Bankowski, chief engineer. Base hour is $300. Rep is Venard, Torbet & McConnell.

CBS-TV's nighttime lead over NBC-TV has risen to 13%, from 10% last year at this time, Pres. Frank Stanton told annual meeting of CBS 20-Year Club. Network's after-dark lead over ABC-TV is 25%, he said. Basing figures on Nielsen ratings, Stanton stated: (1) CBS has largest audiences on 6 of 7 nights, is 2nd on remaining night. (2) Network has 9 of 10 most popular shows, night & day. (3) Daytime audience is 49% greater than NBC's, 98% greater than ABC's.

Network TV's gross time billings jumped 5.7% for first 9 months of 1963—to $612,054,600, compared with $580,137,700 for similar 1962 period, TvB reports. Sept. billings were up 6.5%—to $67,988,700 from $63,-869,000. Each network's billings for first 9 months: ABC, up 6.3% to $158,482,200; CBS, up 5.8% to $239.-272,000; NBC, up 4.5% to $214,300,400.

Hotel TV is sizeable bonus to advertisers, survey by WJXT Jacksonville shows: Of 1,084 hotels-motels responding to survey in 49-county area, 950—87.5%—reported having TV in rooms, amounting to 21,447 rooms, about 76% of total for responding establishments. Another 93 hotels-motels—8.5%—had sets available in either lobby or office. Only 42—4%—had no TV service available.

KUAM-TV-AM (Ch. 8) Agana, Guam, has been sold for $650,000 by Phil Berg to Pacific Bcstg. Corp. (H. Scott Killgore, pres.). Killgore is pres. of Tele-Bcstrs. Inc., owner of radios KALI Los Angeles (San Gabriel), KOFY San Francisco (San Mateo) & KUDL Kansas City. Broker: Blackburn & Co.

American Federation of Musicians and its New Orleans local have again petitioned FCC to deny or designate for hearing renewal of WWL-TV. AFM claims it failed to fulfill pledges on local live public service programs. Union made similar complaint in 1961. Union claims station has done nothing to improve local live shows or to ascertain local needs.

NAB will support court battle of 4 Minneapolis TV stations refusing to pay $500 each to FCC which held they "willfully" & "repeatedly" failed to identify sponsor. Stations had carried taped program supporting Sunday closing ordinance, but failed to announce that it was sponsored by merchants assn. Douglas Anello, NAB gen. counsel, praised stations for making test case of issue, costs of which will far exceed FCC fine.

NBC-TV affiliates convention, scheduled for Dec. 1-4 at Hollywood's Beverly Hilton Hotel, was postponed because of the period of national mourning. It will be rescheduled, probably in Feb. or March.

Pay-TV start in Denver was extended 2 months by FCC, to give experimenters time to equip for picture scrambling (Vol. 3:47 p1). Eight months had been requested.

Personals

Steve Weston, NBC-TV business affairs mgr. for programs, promoted to dir. of Tele-Sales & unit managers... **Ronald S. Friedwald**, ex-media dir., Mogul, Williams & Saylor, named NBC ratings mgr.

David N. Lewis, advertising & sales promotion mgr., KDKA-TV Pittsburgh, promoted to similar post for parent Group W, succeeding **David Partridge**, named to new executive duties in Special Projects, Creative Services.

Asher H. Ende, FCC examiner, promoted to assoc. chief, Common Carrier Bureau, and chief of Office of Satellite Communications, succeeding **Bernard Strassburg**, now Bureau chief.

Hendrik (Hank) Booraem, ex-Lennen & Newell, named vp in charge of programs, WPIX N. Y.

Obituaries

Richard A. Mack, 54, former FCC commissioner, key figure in 1958 "influence" scandals, was found dead Nov. 27 near Miami's skid row, on sheetless bed—with 40¢. Death was believed due to natural causes. He was last remaining principal of Ch. 10 case, following deaths of main figures of 4 original applicants and suicide of his benefactor, attorney Thurman Whiteside. An alcoholic even before being forced off FCC, Mack subsequently was divorced by wife on grounds of desertion, underwent psychiatric treatment, drifted out of public sight.

Frederick J. Molchin, 32, chief engineer of WTTV Indianapolis-Bloomington & of the Sarkes Tarzian stations, died 2 weeks ago after being shocked while working on transmitter of WPTA Ft. Wayne. He'd been with company since 1957.

"FM Magazine" will debut next month in N. Y., Chicago, other markets. Eventually, according to editor-publisher Robert J. Wattoff, it will have editions in nation's top 10 FM markets. Publication will feature national feature section & local program listings, will begin with guarantee of 75,000 copies monthly. Wattoff is former publisher of "FM Listener's Guide," whose 6 editions ceased publication early this year. Serving as FM industry consultant to new publication is David Lachenbruch, editorial director of "Television Digest." Publisher is Cadmus Corp., 270 Madison Ave., N. Y. 10016.

Triangle Stations Pres. Walter H. Annenberg will pay remaining $12,217 mortgage on home of J. D. Tippit, policeman slain attempting to arrest President Kennedy's accused assassin. TV personality Jack Paar sent Tippit family $1,000.

USIA has assigned TV writer Stirling Silliphant to write first of new TV series, "The Continuing Revolution," to be distributed to all Free World countries. Series will consist of six 30-min. programs on subjects ranging from civil rights to American economy.

"Study Guide on Broadcasting" has been prepared by NAB for General Federation of Women's Clubs. It's 22 pages, contains background material and suggested discussion & study topics on TV-radio.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington, D.C. 20006
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

Theater Network TV demonstrated new Norelco color Plumbicon camera, used with its color Eidophor large-screen closed-circuit TV system at Pentagon last week. TNT claims Plumbicon is only about 1/3 size of image orthicon color camera, requires only 5 minutes of "warm-up," can operate with 2/3 less light. In addition, TNT claims Plumbicon, now in production, has uniform color, presents no "image lag" or "burn-in." For Eidophor, TNT claims 4,000 lumens, contrast ratio of 100:1, resolution of 700 lines, distortion of less than 1%.

"People really don't care very much what they see [on TV]," concludes Dr. William Stephenson, British-born psychologist, now U. of Missouri Distinguished Research Professor of Advertising. In study of what people remember from exposure to mass media, Stephenson said: TV poses special problem because "constant interruption of commercials" kills any real chance of "viewer absorption."

New camera tube developments: GE has extended warranties up to 60% on 4 types of image orthicons. RCA has introduced new 1-in. high-resolution vidicon, which, it says, "promises the possibility of new camera designs for commercial broadcast service." Resolution capability is 1,000 lines (700 at corner).

Huge marketing report on Mexico is available from J. Walter Thompson, N. Y. & Mexico City, for $20. It terms country "young, dynamic, fast growing," says it tripled gross national product during 1950s.

Case studies of 13 video tape commercials have been published by 3M Co. in 36-page booklet, "Advertising with Video Tape." It explains techniques and costs that range from $300 to $12,000 each.

3M Co.'s stereo tape cartridge line will duplicate & distribute, under new licensing agreement, music of ABC-Paramount & its subsidiary Westminster.

Ampex's closed-circuit Videotape recorder is now sold in N. Y. by ITV Inc., 342 W. 40th St., and in New England by Lake Service Corp., 75 N. Beacon St., Watertown, Mass.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

ECONOMY STRONG, BUSINESS CLIMATE GOOD: Leaders of consumer electronics industry last week were inclined to agree with other business spokesmen that long-term prospects are unchanged, that economy is resilient, that outlook for business is good.

There was some feeling that tax bill now has better chance for early passage because of emotional support by Congress and traditional "honeymoon period" of new President with legislature. In survey of consumer electronics leaders, we found optimism that Johnson administration would be friendly toward business. Stock market rally and President's request that Congress pass tax bill "without delay" added to general confidence.

Some manufacturers anticipate damper on Christmas buying during period of national mourning, but, as Motorola's Ed Taylor expressed it, were not anxious to "put a dollar sign on tragedy." While most commented on general economic outlook, we think there is one point which should be mentioned in connection with future of our own specific industry:

TV & radio have demonstrated as never before how vital they are as unifying communication force among American people. In national crisis, electronic mass communication has been elevated to stature of a necessity second only to food & shelter. TV & radio have matured far beyond the antique designation of "home entertainment." This new awareness of importance of electronic enlightenment in the home, we believe, will be most significant lasting result of Nov. 22 tragedy upon our industry.

For digests of industry leaders comments, see p. 10.

WHAT $20-$30 UHF PRICE DIFFERENTIAL? Almost to a man, set manufacturers are betting that highly-touted $20-30 price increase on TV sets in next year's all-channel models won't show up—at least, not so anyone could recognize it.

Prices will go up, on the average—particularly at middle & high ends of line. But increases will be so ingeniously hidden & camouflaged as to make comparisons with current models virtually impossible. In many cases it will appear—repeat, appear—that industry is giving away uhf tuners for free.

This is consensus of large number of TV manufacturing topkicks—all of whom were promised anonymity, since next year's plans are already under way. They're all praying, of course, that Congress will eliminate 10% excise tax—which could wipe out cost differential between today's vhf & tomorrow's all-channel sets—but, being realistic, they concede that this isn't likely, and they're planning accordingly.

Real problem is that there's no water in today's sets, and neither manufacturer, distributor nor dealer can eat the price increase. Any cheapening will have to come out of set's performance. And there will be some of that. Magnitude of problem was summed up nicely by one manufacturer: "When you take $2 out of a set, you're eating into performance pretty badly." Yet all-channel costs manufacturer nearly $10 more than vhf-only.

Nevertheless, there's agreement that leader prices won't go up much, if at all. There's general belief that 11-in. all-channel sets will still start at $99.95 ("How can you sell 'em at any other price?" asks one manufacturer), that 19-in. will generally start at $139.95 list if not below. Nobody is saying just how he's going to do this, of course—but we don't doubt for minute there are plans.

There's one obvious way to cut costs just a little more—foreign parts. Everybody has his purchasing agents & engineers in Japan right now, and mad scramble for low-cost, good-quality parts is intense.

Nobody denies for minute that there will be price increases. But some will be partially offset by new corner-cutting methods. It's possible that low-end chassis will be carried higher up in line, that hardboard & other wood substitutes will be used for more low-& medium-price consoles, etc. With mass production & heavy competition, tuner prices are expected to continue their decline.

How will new prices affect consumer? There are 2 main schools of thought. As expressed by one top sales mgr.: "The public won't resist the price. The average consumer has no idea of TV prices until he's in the market for one and goes into the first store. It's the dealer who establishes price, not the public."

Other view, stated in various ways by several, is this one: As public hears about uhf and prospective increases, they'll start buying more. Thus, June-Aug. sales may well be higher than usual, with plenty advance buying to beat price jump. When pipelines are drained of vhf sets, there'll be slump for while. This will be ended by pre-Christmas buying, when people who postponed purchases in fall may decide to make up for lost time.

All manufacturers saw real effect of hidden price increases—if any—hitting some time after Labor Day. None predicted extra heavy stockpiling of vhf sets. If good business continues, some said they couldn't stockpile if they wanted to—and they're not sure they want to.

Set makers obviously will heed recent warning of FCC Comr. Robert E. Lee, who said in Toledo speech that stockpiling of vhf sets would indicate "lack of faith and could well leave a lasting impression, one that might be recalled in any future discussions with industry on measures it deemed too binding & restrictive." He also plugged up what he called "seeming escape hatch" in all-channel law—production of sets for shipment within state—giving Commission's opinion: "If the manufacturer is still producing all-channel sets for shipment outside the state where made, the law is binding on all receivers produced."

Here's what it all means to us, summing up: Plans already in works for biggest model change in TV's history... costly... would affect profits if business weren't so good otherwise. Most leader prices probably won't appear changed. (Nobody said it, but it stands to reason margins might be even shorter and leaders harder for public to buy.) Throughout entire line, increases will average something less than $20—perhaps getting down to $15—but most of them will be difficult to pin down because of impossibility of directly comparing 1965 models with ones currently on market.

EIA TO PUSH FOR COLOR SET DATA: Set manufacturers will make another attempt to add color TV production & sales to official industry statistics when they meet this week at Los Angeles' Statler-Hilton for EIA quarterly conference.

Spearheading attempt to break statistical blockade will be EIA's Consumer Products Executive Committee, headed by Olympic Pres. Morris Sobin. Key to problem is RCA, which has been withholding its color statistics, presumably on grounds it produces more than 50% of all color sets. At meeting last March, it appeared that RCA had agreed to contribute its figures, but this turned out to be false alarm (Vol. 3:12 p7).

EIA officials & market data specialists are concerned about recent trend of manufacturers to withhold data—as manifested by RCA's refusal to submit color figures and GE's more recent decision to hold up statistics on 11-in. TV (Vol. 3:40 p8). Although manufacturers are under no compulsion to give data to EIA, rules provide that EIA is to collect all data and to black out figures for any product in which one manufacturer has more than 50% of market, at request of manufacturer. Unilateral decisions by manufacturers to withhold information threaten integrity of entire marketing data program, some EIA officials believe.

EIA officials aren't optimistic that they'll get pledge this week from RCA for submission of color data, but they feel that strong stand may pave way for possible consent beginning in Jan. GE has informally stated it will give EIA its 11-in. figures next year, including retroactive figures for 1962—but there still seems to be concern about whether this actually will happen.

Consumer Products Executive Committee will also discuss a couple of old chestnuts: (1) EIA's role in spreading information about uhf & all-channel law. (2) FTC request for more help in arriving at definition of "high fidelity."

JAPANESE EXPORT PRICES FALLING: Perhaps most significant news in Japan-to-U.S. export figures (see table, p. 10) is continuing drop in average prices.

Although most categories of exports to U.S. appear to be leveling off in quantity—with obvious exception of TV—shipments do continue to show increase in units, if not in dollar volume.

TV shipments to U.S. totaled 317,089 units for 9-month period, as we reported last week (Vol. 3:47 p7). While average TV export price had been increasing throughout year as result of heavier percentage of transistor sets, Sept. saw decrease as compared with Sept. 1962—the $59.34 average unit price dropping to $53.71. For full 9-month period, unit price was slightly higher than last year—$56.47 vs. $55.37.

Average transistor radio price (3 or more transistors) dipped sharply in 1963 to $7.89 from last year's $9.51, and while total shipments were up 4.6%, dollar volume was down 6.5%. Tube radios bucked trend—shipments were off more than 30% while dollar volume was down only 10%, and per-unit price rose to $8.05 from $6.85, presumably because of greater percentage of FM sets.

Tape recorder shipments for 9-month period more than doubled 1962 figure, while average unit price fell to $11.53 from last year's $13.66. Radio-phono shipments went up by 18.4% and prices inched upward to $39.31 from $39.20.

TV-RADIO PRODUCTION: EIA statistics for week ended Nov. 22 (47th week of 1963) excluding 11-in. and smaller:

	Nov. 16-22	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV...	150,992	152,288	109,260	6,440,550	5,951,361
Total radio	456,538	450,019	358,880	16,677,632	17,420,007
Auto radio.....	198,196	204,651	180,686	7,233,755	6,395,141

TOPICS & TRENDS

Temporary restraining order barring Industrial Electronic Hardware Corp. and 2 employes from using or disclosing any General Instrument trade secrets (Vol. 3:47 p7) was continued in N. Y. State Supreme Court last week pending decision on GI's request for preliminary injunction. GI alleges piracy in connection with IEHC's hiring of 2 of its key TV tuner experts preceding IEHC's announcement of entry into uhf tuner business. In another legal case, N. Y. Federal Court heard arguments on motion by Nippon Electric and other defendants to vacate charges in anti-trust and breach of contract suit brought by Symphonic (Vol. 3:29 p7, 43 p10).

Contract for 1,500 TV sets has been received by Admiral International from U. S. Govt. for use in Colombia under Peace Corps supervision. Peace Corps volunteers will use TV relay network covering Bogota and remote mountain areas in drive to reduce illiteracy. First 400 of the special 23-in. table models were due for shipment by air from Miami to Bogota last week, with remainder to be delivered early next year.

Singer is increasing TV activity. Sewing machine manufacturer now is importing 6-in. transistor TV from Japan, is selling it under Singer tradename at $175 in 1,000 stores. Before Christmas it will be offered in about 1,200 of Singer's 1,600 retail outlets—all of its stores in non-uhf areas (set is vhf-only). Singer also is broadening its test of Magnavox line, which formerly had been handled only in Eastern stores. Test is apparently going well, since selected stores in Midwest and on West Coast are now getting Magnavox line, with Houston area stores adding it within next couple of weeks. Singer spokesman said company had no plans to add non-transistorized Japanese sets under its own label, although it did sell some 8-in. "Singer" sets several months ago, as well as liquidation of Westar TV inventory.

INDUSTRY LEADERS' VIEWS: Here are representative comments by leaders of consumer electronics industry on immediate & long-term outlook (see p. 7).

Admiral Chmn. Ross D. Siragusa Sr. "I don't believe these tragic events will have any significant effect on business... I am convinced that under President Johnson this country and the world will unite and carry forward."

EIA Exec. Vp James D. Secrest. "The outlook is reasonably good. Johnson is no novice to govt., and can carry out what was started under the Kennedy administration. We can expect a stable transition. The climate could actually be very good, since Johnson is expected to offer support to business."

Emerson Pres. Benjamin Abrams. "We may even see an improvement in the business climate. I feel Johnson will get a break from Congress, particularly with respect to the tax bill. He has experience, and the confidence of Congress. I'm optimistic from the economic standpoint of business in general, and our business in particular."

Magnavox Finance Vp Robert H. Platt. "Continuing, and perhaps increasing, prosperity for consumer electronics business is foreseen under the administration of President Johnson. The President's quick & effective assumption of Presidential power, his vow to continue programs of the Kennedy administration and the general high level of the economy today bode well for the future... The President has long been recognized as conservative in his approach to business. [He] is determined to reestablish confidence in the nation and the economy. This confidence is expected to translate into a sound period of economic activity."

Motorola Consumer Products Inc. Pres. Edward R. Taylor. "The economic climate positively will be warmer under President Johnson. That's what the stock market is telling us. I believe that the force of the economy and the momentum developed will carry through. We've lost some valuable days, of course, but you certainly can't put a dollar sign on tragedy."

Muntz TV Pres. Wallace Keil. "We'll feel the impact for a week or 10 days, but after that I believe shoppers will return to their buying mood—particularly after viewing a few commercials on TV... We don't anticipate any long-range effects of the change in administration. We expect more business in the long range, but not because of the govt.—we're just setting our sights on more business and going out for it."

Olympic Pres. Morris Sobin (Chmn., EIA Consumer Products Div.). "The long-term outlook is still very favorable. There may be an unsettled period because of uncertainty & shock. I don't think Johnson's policies will create any abrupt change in the economic climate."

RCA Chmn. David Sarnoff. "The people of the United States are fortunate in having in President Johnson a statesman with a long record of distinguished public service, proven ability and intimate knowledge of the difficult problems which face our nation and the world today."

Symphonic Pres. Max J. Zimmer. "The events of the last few days since Lyndon Johnson took over the Presidency clearly indicate that he will follow the Kennedy program and vigorously push for its passage, which should not affect our economy adversely. If anything, the general situation should go forward at full speed."

Wells-Gardner Electronics Pres. Grant Gardner: "Except for a brief dip in business, not lasting more than a week, I see no change in the economy resulting from the tragic events. I believe that possibly the business climate may become a little warmer under President Johnson and business conditions may become easier, but we really foresee very little change."

JAPAN-TO-U. S. EXPORTS: Japan was shipping more consumer electronics equipment to U. S. at lower prices during first 9 months of this year as compared with 1962 period (see story, p. 9). Here are summary tables of 9-month & Sept. shipments, with 1962 comparisons (data courtesy of Electrical Merchandising Week):

JAPAN-TO-U. S. EXPORTS, JAN.-SEPT.

	1963		1962	
	Units	Value	Units	Value
TV sets	317,089	$17,904,480	86,899	$4,811,975
Transistor radios	5,996,458	47,332,656	5,323,239	50,623,000
Toy tr. radios	1,524,027	2,489,745	2,109,520	4,756,678
Tube radios	838,872	6,752,559	1,202,389	8,240,706
Radio-phonos	80,367	3,160,636	67,868	2,655,550
Tape recorders	1,513,813	17,457,615	748,640	10,233,205
SEPTEMBER				
TV sets	62,630	$3,362,294	24,295	$1,441,852
Transistor radios	903,528	7,812,950	821,210	7,469,283
Toy tr. radios	110,944	146,664	190,535	365,852
Tube radios	118,684	1,208,150	148,371	902.970
Radio-phonos	11,684	478,733	10,657	463,125
Tape recorders	236,570	2,476,487	135,379	1,629,600

Waltham brand name will go on line of imported & domestic consumer electronic products under agreement between Sampson Co. & Waltham Watch Co. First items will be 12 Japanese-made radios & tape recorders, to be marketed in Jan. through jewelry & TV-radio-appliance stores in U. S., Canada & Mexico. They will be followed by TV & phono lines, either domestic or imported.

UHF converter promotion, featuring price reductions, special dealer discounts and ad program, has been announced by Blonder-Tongue. Its top-selling converter has been reduced from $28.95 to $26.95.

DISTRIBUTOR NOTES: Olympic Radio & TV opens Minneapolis sales branch, **Olympic TV North Central Inc.**, at 4906 W. 35th St. **Daniel R. McKinnon** is mgr.. **Gerald Larson** credit mgr.; **Jack Izenstark**, ex-Columbia Phonograph Dept., named **Olympic of Chicago** mgr., succeeding **Austin White**, resigned... **Sylvania** is now selling direct in Cleveland market, succeeding distributor **G. M. Nutter Co.** which has discontinued operations... **Westinghouse** appoints **Paul L. Brown** south Texas district mgr., succeeding **A. N. Dargan**, retiring after 40 years with company... **RCA** appoints **Raybro Electric Supplies** (Milton O. Hollis exec. vp & gen. mgr.), 907 Ella Mae, Tampa, Fla., home entertainment equipment distributor, replacing **Electric Supply Co.**, Tampa... **Ampex** Consumer Products Div. names **John C. Dews** midwestern regional mgr.

COLOR'S WORLD FAIR: Though color TV will mark 10th birthday as regular TV service next month, and though color set sales are now rolling at healthy clip—N. Y. World's Fair may well mark true beginning of color TV era.

It's expected, at least, to provide greatest exposure to date of Americans to color TV, through RCA's strategically located exhibit (right at most used entrance) and 250-300 color sets which will be located throughout grounds.

RCA's whole exhibit will be geared entirely to color, and its closed-circuit color system is Fair's "official" communication system. Principal feature of exhibit will be glass-enclosed color TV studio, where there will always be "behind-the-scenes" activities for visitors to watch—rehearsals, set-up, actual shows.

To James M. Toney, RCA Fair exhibit dir., falls task of developing more than 2,000 hours of color programming to feed Fair's color sets, keep RCA exhibit's studios constant hub of activity. Programs fed to closed-circuit network 12 hours daily, 7 days a week will be live, film & tape—but always Fair-oriented, Toney told us—always in color. All programs, he said, will be keyed to color values, calculated to show off color TV at its finest. No off-air or network programs will be put on Fair circuit, although some network shows may originate at RCA's World's Fair studios, which will be able to handle 3 programs simultaneously.

Studio will be completely equipped with latest color origination equipment, but it will all be regular production studio gear—no experimental or developmental equipment. Included will be 3 live color cameras (with 4th available), 4 RCA color TV tape recorders (among first of new TVR-22 solid-state units), 3 complete color film-slide chains, one mobile remote color TV truck, one mobile TV tape truck.

Mobile unit, scheduled to be on continuous duty, will cover entire Fair, which will be equipped with 28 AT&T-installed pods for power & coaxial connection to studio. Generally, taping of remote events will be done in studio, but tape truck will be used in locations where there are no power-coax connections.

Another new electronic medium will get exposure at Fair. WTFM, Friendly Frost Stores' 24-hour-a-day FM stereo station at nearby Fresh Meadows, N. Y., will broadcast at least 6 hours programming daily from Fair's Better Living building. WTFM Dir. David H. Polinger says station will originate stereo programming from Fair for network of stereo stations in Boston, Philadelphia & Washington, hopes to send FM stereocasts to Europe via space satellite.

Special color-TV issue of "Radio-Electronics" magazine for Dec. features comparison of circuits of 11 different brands of color sets (Admiral, Curtis Mathes, GE, Heath, Magnavox, Motorola, Packard Bell, Philco, RCA, Toshiba, Zenith), listing of color TV test equipment, advice on color antennas & boosters.

"Tape Recorder Directory," giving descriptions & specs of 200 tape recorders, is being supplied free to Audiotape distributors by Audio Devices Inc. Individual copies are available for 25¢ from Audio Devices, 444 Madison Ave., N. Y. 10022.

Trade Personals

Dr. Lloyd P. Smith, Philco Aeronutronic Div. research dir., elected a Philco vp & placed in charge also of company's Philadelphia-area research activities. Hq continues at Newport Beach, Cal.

Edwin H. Seim, formerly gen'. mgr. of Micarta Div., elected Westinghouse Mfg. vp, succeeding **Roy V. Gavert**, retiring Dec. 31.

Russell W. McFall, formerly Litton Industries vp & Radcom Div. gen. mgr., elected Western Union exec. vp, a new post.

Lee D. Webster, Electro-Science Investor pres., elected Tamar Electronics chmn.

Francis R. Flood, ex-GE, joins Raytheon Semiconductor Div. as mktg. mgr., headquartering in Mountain View, Cal.

Chester D. May appointed Hoffman Electronics controller... **Gerald L. Moran**, Sylvania vp, elected to Argus board... **Jerry Balash** appointed Blonder-Tongue Labs home products mgr., a new post.

New permanent date for Music Show has been established as last week in June, as result of poll of NAMM members. Next year's show will be held June 28-July 2 at Chicago's Conrad Hilton Hotel.

Electro-Voice will build 30,000 sq.-ft. plant at Newport, Tenn. to consolidate production of phonograph cartridges now carried on in 3 separate factories.

Mergers & acquisitions: Telex Corp., Tulsa, Okla. maker of phonographs, tape recorders, electronic components and devices, has acquired for stock and cash **Astrocom Inc.**, Monrovia, Cal. manufacturer of subminiature electric motors and related equipment, and certain assets of **Portable Electric Tool's** Precision Motor Div., Geneva, Ill.... **ITT's** proposed acquisition of **Cannon Electric** has been approved by shareholders of Los Angeles electrical connector manufacturer (Vol. 3:29 p11)... **Tele-Tronics**, Ambler, Pa. test equipment manufacturer operating under Chapter 10 Federal court trusteeship, has been acquired by **Winslow Electronics**, Asbury Park, N. J. electronic test instrument maker, and reorganized into new company, **Winslow Tele-Tronics Inc.** Latter will exchange one share of common for each five Tele-Tronics shares... **ITT** acquisition of Philadelphia-based heating, ventilating and air-conditioning equipment manufacturer **John J. Nesbitt Inc.** has been approved by latter's shareholders. ITT will exchange 3/10 share of common & 4/100 share of its 4% cumulative convertible Series B preferred for each of Nesbitt's 994,075 outstanding common shares. Acquisition is expected to be effected in Dec.

Dividend news: Zenith has increased quarterly cash dividend on common stock to 30¢ a share from 25¢, and declared 30¢ year-end extra, both payable Dec. 27 to holders of record Dec. 6. Action increases total 1963 dividends to $1.35 vs. $1.20 in 1962, which included 35¢ year-end extra... **20th Century-Fox** declared 4% stock dividend on its common shares, payable Dec. 31 to holders of record Dec. 9.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Filmways	1963—year to Aug. 31	$ 10,763,767	$ 272,408	$ 122,408	$0.21	595,445
	1962—year to Aug. 31	12,829,849	(275,860)[1]	(125,860)	—	584,004
Microwave Associates	1963—year to Sept. 30	10,543,600	—	69,100[2]	.07[2]	1,026,600
	1962—year to Sept. 30	12,802,192	—	639,906[3]	.63[3]	1,912,700
Rollins Bcstg.	1963—6 mo. to Oct. 31	4,252,750	—	486,385	.51	957,244
	1962—6 mo. to Oct. 31	3,948,919	—	323,200	.34	955,475
Sangamo Electric	1963—9 mo. to Sept. 30	38,354,000	(711,000)	(401,000)[4]	—	1,637,617
	1962—9 mo. to Sept. 30	36,165,000	(1,166,000)	(528,000)[4]	—	1,637,161
20th Century-Fox	1963—9 mo. to Sept. 30	79,954,000	—	6,841,000	2.69	2,546,000
	1962—9 mo. to Sept. 30	76,555,000	—	(16,816,000)	—	2,545,845
	1963—qtr. to Sept. 30	30,761,000	—	2,081,000	.82	2,546,000
	1962—qtr. to Sept. 30	26,239,000	—	(4,360,000)	—	2,545,845

Notes: [1]Before $150,000 tax credit. [2]After special $29,100 (3¢ a share) charge. [3]After special $80,683 (8¢) charge. [4]After tax credit.

Japan's major electronics-appliances-electrical firms generally were down in sales & pre-tax earnings in the 6 months to Sept. 30, according to report by Yamaichi Securities Co. of N. Y. Of 7 firms studied, 6 declined in pre-tax earnings, 3 were off year-earlier sales pace. Nippon Electric was only company with improved sales & earnings. Sales rose to $77.3 million from $73.7 million, earnings improved to $6.5 million from $6.2 million. Hitachi sales slipped to $412.8 million from $445.5 million, profits dipped to $33.2 million from $35.4 million. Toshiba increased sales to $330.5 million from $320.1 million, but earnings dropped to $22.9 million from $26.7 million. Mitsubishi Electric showed sales gain to $208.3 million from $206.5 million, profit decline to $10.9 million from $14.9 million. Fuji Electric sales dropped to $75.5 million from $86.7 million, earnings declined to $3.2 million from $5.6 million. Oki Electric sales slipped to $28.9 million from $29.3 million, earnings slipped slightly to $2.3 million from $2.4 million. Ricoh sales jumped to $18.1 million from $15.8 million, earnings dropped to $1.6 million from $1.7 million. All earnings are pre-tax. Meanwhile, big Matsushita reported sales in current 12-month period up to $556 million from year-ago $472 million. Approximately 10% of sales represent export volume, and some 30% of export volume are U. S. sales.

Allied Radio has "deliberately accepted some reduction in potential sales in order to cut our delinquency rate on installment receivables," Pres. A. D. Davis told annual meeting. "The quality of credit business now being accepted has been raised significantly, in keeping with our decision to be much more selective in the choice of credit fund customers." Davis said operating costs in first fiscal quarter ended Oct. 31 were about same as year ago despite increased expenses for development of improved quality and procedure systems, emphasized that return of merchandise by customers has been reduced (Vol. 3:36 p11).

Muntz TV "conservatively expects to earn between 44¢ & 50¢ a share" in fiscal 1964 ending next Aug. 31 vs. 44¢ in fiscal 1963 (Vol. 3:43 p12). Sales are expected to rise 15% from fiscal-1963's $11.8 million, according to Secy.-Treas. Daniel Domin. In new fiscal year's opening quarter, ended Nov. 30, sales are expected to climb 15% from year-earlier's $3.3 million, but earnings should dip slightly from 1962's $331,235 Sept.-Nov. profit because of full provision for federal income taxes and continuing start-up costs for color sets. Muntz will increase color production after first of year, expects to sell 20,000 sets in 1964. Pres. Wallace A. Keil noted: "We're making about 1,000 a month and keeping up with demand. We haven't had our dealers push color yet because we're more or less on a test-run basis." Muntz also expects to increase total TV sales in 1964 to more than 100,000 (including 70,000-80,000 combinations) from 1963's 85,000 (55,000 combinations). Prior to Dec. 21 annual meeting, Keil also noted, board will consider declaring company's first dividend in 12 years. Last dividend came in 1951 with declaration of 15¢ a share and 10% in stock.

Packard Bell Electronics consumer products sales rose 31% in fiscal year ended Sept. 30 to record level approximating $24 million from year-ago's just-under $19 million. Home Products Div. Vp Kenneth R. Johnson forecast 30% increase in consumer products sales in current fiscal year. Over-all, company earned $1.2 million on $49.4 million sales vs. fiscal-1962's $1.4 million loss on $49.6 million sales. Net working capital increased to $4.4 million, highest since March 1962.

Ling-Temco-Vought will redeem Dec. 27 $27,029,880 in long-term debt, leaving balance of $34,807,060. Called for redemption are L-T-V's 4-3/4% subordinated convertible debentures due Sept. 1976, 5-1/4% convertible subordinated debentures due Oct. 1971, 6-1/4% senior notes due Dec. 1974 and 5-1/2% first mortgage bonds due Aug. 1970.

WEEKLY **Television Digest**
with
Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

DECEMBER 9, 1963 NEW SERIES VOL. 3, No. 49

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

PRESIDENT BRIEFS AGENCY HEADS, rejects resignations, opposes 'complacent & static regulation', asks for 'new areas of cooperation' instead of 'control' (p. 1).

FICTION, 'FAIRNESS' & FCC: Ruling on CBS-TV's 'Smash-Up' expected soon, Commission likely to say 'fairness doctrine' applies to drama but that techniques are up to broadcasters' common sense (p. 2).

LOEVINGER SEEKS PROGRAM-FORM CONSENSUS for AM-FM. Details of proposal for special Jan. meeting (p. 2).

COMMERCIAL-LIMITS SHOWDOWN in FCC oral argument, House Committee consideration of bill to block Commission. FCC submits legal memo to House (p. 3).

McLENDON AIMS FOR 34,400 CATV SUBSCRIBERS in 13 communities, starts construction in Jan., to charge $10 installation, $5 monthly, giving 8 TV stations, 2 FM, one local weather-time TV channel (p. 3).

MOBILE SHARING OF Ch. 7-13 should be explored, according to FCC staff as it seeks relief for congestion in land mobile service, says TV needs all uhf (p. 4).

RATING COUNCIL QUICKENS: Seven firms, vying for job of auditing raters, briefed by 5 rating services (p. 4).

RECOUPING LOSSES DURING CRISIS, TV industry hopes for 75-80% of network business, 50% of spot & local (p. 5).

2 STATIONS CHARGED WITH DOUBLE BILLING: Renewals of WFHA-FM Red Bank, N.J. & WILD Boston are at stake. WFHA-FM charged with sending agency bill 10 times its spot rate (p. 5).

Consumer Electronics

COLOR TV STATISTICS to go into EIA's market data hopper in 1964, but actual figures may be combined with b&w if RCA asserts security privilege; tape recorder statistics due early next year (p. 7).

NEW INDUSTRY RECORDS seen in 1963 & 1964 by EIA Pres. Horne, who predicts electronics factory volume of $16.3 billion next year; consumer products increase of $100 million is forecast (p. 8).

COLOR TUBE CAPACITY could reach 1.5 million next year, barring new problems; Sylvania shipping color tubes to Warwick; talk of possible Sony color tube plant in U.S. (p. 8).

BATTLE OF LOUISVILLE: Conventional retailers invoke 162-year-old no-work law, win injunction to force discount houses to close on Sunday (p. 10).

WINTER DROP-INS BEGIN with biggest RCA midyear line featuring remote control color at $550, complete portable series (p. 10).

NEW DIRECTION FOR MAGNAVOX is possible if private-label negotiations with Montgomery Ward bear fruit; company has capacity in new plant (p. 11).

RCA DOES IT—spreading Christmas cheer to stockholders with proposed 3-for-1 stock split and another dividend hike (p. 12).

PRESIDENT BRIEFS AGENCY HEADS: No resignations accepted, President Johnson told chairmen of regulatory commissions in special meeting last week—squelching for present speculation that he might welcome changes. In relatively brief statement, he told agency chiefs that he needs their help and that he intends to continue President Kennedy's work in their fields.

Text of his statement is being interpreted variously, naturally. Key quotes: "President Kennedy did not speak from weariness of the long battles to protect the public interest. The public interest never had a more fearless or a more tireless champion; but for himself and for his generation and for his time, President Kennedy expressed the weariness that Americans feel for another battle—the battle against substitution of government's interest for the public interest...

"A moving & progressive society finds oppressive, distracting, irritating and ultimately intolerable the heavy hand of complacent & static regulation...

"We are challenged...to concern ourselves with new areas of cooperation before we concern ourselves with new areas of control...

"I know the pressures that you feel and the duties you must discharge. When those pressures are honorable, respect them; when they are not, reject them."

Copyright 1963 by Television Digest, Inc. Reproduction in any form, without written permission, prohibited.

FICTION, 'FAIRNESS' & FCC: Application of FCC "fairness doctrine" to broadcast dramatic works comes before Commission soon again. Subject was before FCC in Sept., involving CBS-TV show "Smash-Up" on Armstrong Circle Theater (Vol. 3:36 p3). Now both "Smash-Up" and Oct. 3 "Good Samaritan" episode of NBC-TV's "Dr. Kildare" are up for consideration.

Indications are that Commission is still prepared to rule: (1) It has no authority to tell to anyone what to broadcast or not to broadcast. (2) "Fairness doctrine" applies to drama, too, but it's up to licensee's judgment to determine how to achieve fairness—by another dramatic work, public affairs documentary, panel, or what have you.

Complaints come from National Assn. of Claimant's Counsel of America (NACCA), through Pres. Jacob D. Fuchsberg. He argued that "Smash-Up" pictured claimant attorneys as ambulance-chasers pushing fraudulent claims, that show was instigated by insurance industry.

It's expected that Commission will tell Fuchsberg it found nothing to substantiate "instigation" claim, that it will not rule whether program was "controversial"—but will tell CBS that "fairness doctrine" applies to all programming. In FCC's first consideration of case in Sept., some argued that Commission should decide program was controversial—but that seems to be out now.

Fuchsberg wrote NBC Pres. Kintner before Oct. 3 "Dr. Kildare" show, said he understood it was about malpractice, said he was worried though he hadn't seen show but trusted NBC to be fair—and he enclosed copy of our Sept. 9 story about "Smash-Up." NBC's Robert Kasmire answered, assured him "NBC aspires to the highest standards of integrity... and I am certain our conscientious efforts in this respect will be evident to you."

But Fuchsberg was unhappy about show, in which jury ruled against doctor in malpractice case involving emergency treatment. He argued that doctor & his attorney were pictured sympathetically, plaintiff & attorney unfavorably; that amount awarded was "grossly excessive as to tend to shock"; that show propagandized against contingent fees; that "the very jury system itself was indicted." Commission apparently hasn't had chance to discuss this case yet.

LOEVINGER SEEKS PROGRAM-FORM CONSENSUS: New proposed AM-FM program form, intended to be consensus of views of FCC commissioners & Broadcast Bureau, has been submitted to colleagues by Comr. Loevinger. It's due for special Jan. 6 meeting, and Loevinger urges acceptance—saying continued attempt to approach perfection is blocking decision. We've learned that Loevinger proposal would request data of operators essentially as follows:

(1) You may use any 7-day period as a representative week—or you can use FCC's conventional "composite week." Copy of logs for the 7 days are to be filed. (2) Applicants for new stations & buyers of stations submit data on proposed programs. Sellers file only regarding past operations. (3) Tell how needs of community are determined. Who did you talk to? Who do they represent? What do they want? What do you think of their ideas? Specify each program broadcast to meet such needs.

(4) Give total daily & weekly operating hours, including sign-on & sign-off time. (5) How many hours of news do you carry weekly? Describe them & staff used in their production. How much time given to local & regional news? What's your minimum scheduled plan for news, in hours & as percentage of total.

(6) How much time (in hours & percentage) do you give to public affairs programs? Are they scheduled regularly or otherwise? Give description of typical public affairs program. What's staff involved in such shows? How much time will you devote to them each week? What's your policy on selection of time, subjects & people for public affairs discussions? (7) What's your specialty format, if any, & how do you determine that it meets community needs? (8) Do you duplicate AM-FM? How much?

(9) How much time (in hours & percentage) do you give to commercials? What's maximum you propose in future? What's your policy on commercials—how many, when, what kind? (10) Which stations compete with you, & what are their program formats, in general? And how does your output differ from theirs? (11) Tell us anything else you wish regarding your method of serving public. (12) If your output differs from plans you outlined to us previously, tell us why.

COMMERCIAL-LIMITS SHOWDOWN: Though FCC enthusiasm has cooled, Commission goes ahead nonetheless with oral argument this week, Dec. 9-10, on proposal to limit commercials by regulation. It's clear that Commission can't muster enough votes for any tough set of restrictions, but it would be foolhardy to assume FCC will forget whole thing. It's also clear that while a lot of congressional sentiment opposes Commission proposal, that though House could even conceivably pass a bill to block FCC (unlikely, however), Senate just won't go along. At this stage, it looks as if main effect of whole to-do will have been to publicize fact that FCC is worried about over-commercialization & that it welcomes complaints.

More than 40 people have filed appearances for the hearing—including NAB, networks, groups, single stations, state associations, Washington attorneys. There'll be 2 congressmen, including Rep. Langen (R-Minn.) who introduced a bill to head FCC off. Some parties will support FCC League Against Obnoxious TV Commercials, National Assn. for Better Radio & TV. Networks & others are filming & taping for TV-radio coverage.

Ironically, while oral skirmish goes on, full House Commerce Committee meets Dec. 10 to act on HR-8316—bill by Rep. Rogers (D-Tex.) to prohibit FCC from setting commercial limits. Measure has already passed Communications Subcommittee, is expected to pass parent body with perhaps only one dissent—that of Rep. Moss (D-Cal.).

On eve of oral argument, Commission last week sent to Rogers legal memorandum asserting its authority to set commercial limits. It cautions that it has reached no conclusions on merits of proposal, that memorandum is only to support power to act. NAB Gen. Counsel Douglas Anello will devote his argument to countering FCC's legal brief. Here's core of Commission's position:

(1) Advertising practices are a factor in determining if station is fulfilling public interest standard—to be examined at renewal time or in new applicant proposal (Sec. 307a, 307d, 309a). To think otherwise is to ignore impact of advertising on public interest. If over-commercialization is consideration in individual cases, then it can be subject of a rule, provided regulation is not inconsistent with Act (Supreme Court interpretations, plus Sec. 303r & 4i).

(2) Commission says it "could rest our entire case at this point"—that to dispute its position opponents would have to prove that Commission would be powerless to act even if applicant specified 50% of time for commercials. But FCC has more to say:

(3) It has right to classify & prescribe nature of services (303a & b)—bestowing on it "broad grant of authority" that encompasses the "nature" of "commercial broadcast service." This involves questions, too, of whether "valuable spectrum space" is being properly used. To arguments that it has no "explicit authority" on commercials, FCC says Supreme Court made clear that subject matter of rules need not be specifically spelled out in Act, that "broad powers" are adequate.

(4) Non-censorship provision of Act (Sec. 326) isn't being violated because FCC has powers "not limited" to technical aspects & courts have ruled that denial of license on matters related to public interest is "neither censorship nor an abridgment of the right of free speech." FCC argues that commercial limitations would not lead to rate regulation (violating Sec. 3h because broadcasting isn't common carrier). Contrary to industry arguments, FCC says, legislative history is on its side, that framers of 1927 & 1934 Acts considered FCC to have authority.

McLENDON AIMS FOR 34,400 CATV SUBSCRIBERS: Last April, multiple-radio-station operator John McLendon announced plans to get into CATV in substantial way (Vol. 3:15 p5)—but he wasn't ready to say where. Now, his plans have firmed up, and he's ready to start building in 13 communities, with total potential of 34,400 subscribers, first to get underway Jan. 6. Each will have capacity to provide 8 TV stations, 2 FM, one local weather-time TV channel. Each will have $10 installation fee, $5 monthly charge. Herewith are communities, dates for construction start, estimated potential subscribers:

Jan. 6—Brookhaven, Miss., 1,800; Alexander City, Ala., 3,400. Feb. 6—Magnolia, Ark., 3,500. March 6—El Dorado, Ark., 4,000; Madisonville, Ky., 3,000; Sebring-Avon Park, Fla., 3,000; Talladega, Ala., 3,500. May 1—Arkadelphia, Ark., 1,800; Ozark, Ala., 3,000. June 1—Kennett, Mo., 1,800; Union City, Tenn., 1,800; Murray, Ky., 1,800; Middlesboro, Ky., 3,000.

MOBILE SHARING OF Ch. 7-13? FCC's marathon proceeding on allocations in 25-890-mc band, started in April 1957, is near end of one phase—and next phase may include proposal that mobile radio users get congestion relief through sharing of TV's Ch. 7 to 13.

We have learned that FCC staff has prepared its recommendations, and special Commission meeting for its consideration is reportedly scheduled for Jan. 10. Proposal was submitted by all bureau chiefs, plus chief engineer & general counsel.

Staff suggests that industry's Joint Technical Advisory Committee be asked for technical help, including exploration of sharing Ch. 7-13. Staff's view is that: (1) TV needs all of uhf for expansion, particularly for ETV. (2) "Sporadic E" interference in lower spectrum precludes sharing of Ch. 2-6. (3) Vhf band is stable—in terms of station assignments—as compared with uhf, so sharing appears more feasible in vhf.

Staff proposes at same time that an Industry Advisory Committee for the Land Mobile Service be created—with membership limited to land mobile licensees and makers of their equipment. Job of committee would be to gather data on: (1) Usage of land mobile channels. (2) Interference in the service. (3) Technical & operational means for reducing interference. (4) New communications techniques. (5) Future needs. (6) Possible value of spectrum over 890 mc. (7) Sharing of spectrum among different services. (8) Possible improvements in FCC administrative & procedural operations to ease crowding.

Staff recommends termination of current proceeding (Doc. 11997), denying all petitions seeking chunk of uhf for TV spectrum non-broadcast service—including EIA mobile equipment makers' request that Ch. 14 & 15 be turned over to land mobile.

Something of a dissenter is James Barr, chief of Safety & Special Bureau, who believes that relative lack of use of uhf should be stressed & that Commission should warn that it will re-examine uhf-TV allocations if usage grows too slowly.

FCC Comr. Ford strongly supported fairness doctrine, contained in Commission's 1949 report, as sound in concept and requiring no sanctions or penalties. Most broadcasters know their obligations to encourage presentation of opposing views, he said in speech to Arizona Bcstrs. Assn. However, he questioned certain provisions in FCC's July 26 "clarification" of doctrine. He said that statement erred when it generalized on how stations should handle such problems as segregation. He favors case-by-case approach, believes it "essential to the proper development of the doctrine." He said there are relevant cases pending before Commission and that it would have been better to await decisions on them.

RCA Chmn. Sarnoff predicts that satellites within 2 decades will allow a billion people to watch same TV program simultaneously. In speech at dinner on behalf of Hebrew University of Jerusalem, Sarnoff said it's possible that automatic language translator would provide instant comprehension of program's content.

Trusteeship for station holdings of Mrs. Johnson, President's wife (Vol. 3:48 p1), was approved promptly by FCC at staff level, no decision by commissioners considered necessary.

RATING COUNCIL QUICKENS: Decision is expected in few weeks on choice of firm to conduct audit of rating services under Rating Council supervision. Audit Subcommittee met last week in N. Y. with representatives of 7 CPA & management consulting firms who are in running for assignment.

They were briefed on task by 5 rating services: Nielsen, ARB, Pulse, Hooper, Sindlinger. Council also has been interviewing prospective heads of RC, selection expected in few weeks. Other developments:

(1) FCC Comr. Cox & Asst. Broadcast Bureau Chief Hy Goldin met with NAB Research Vp Melvin Goldberg, for progress report on reform program.

(2) NAB is expected to release this week details of minimum standards & criteria for rating service performance. Copies were sent last week to raters.

(3) Prominent among standards is requirement for adequate & full disclosure of rating methods & techniques. Standards will back use of single estimates with incorporation of ranges, or confidence limits, in front of ratings report. They will state that ranges shouldn't be used alone. When ranges are used, statement also will be required to make clear they're limited because they're not derived from true probability samples. We understand that Harris Subcommittee is considering similar recommendation on ranges.

(4) Advertising Research Foundation "clarified" its position on ranges. It also backs NAB idea that ranges shouldn't be used alone, that single figure is still "best estimate." ARF Technical Committee also voted in favor of including in all media research reports a full description of sampling & non-sampling errors. This will be similar to NAB's standards, too.

(5) NAB-RAB steering committee on joint radio methodology study put off first meeting to Dec. 12.

Complicated Terre Haute Ch. 10 & 2 situation came to FCC decision last week: (1) WTHI-TV, now operating on Ch. 10, was favored over competitor Livesay Bcstg. (2) New hearing for Ch. 2 was ordered, pursuant to court decision. WTHI-TV, which sought shift to Ch. 2, is permitted to refile, as are other prospective applicants, including Illiana Telecasting, which had been competing with WTHI-TV. Chmn. Henry & Comr. Loevinger dissented, would have ordered a lumped hearing for both channels, the 2 winners to take whichever channel FCC allotted. Comr. Bartley preferred Livesay over WTHI-TV.

Budget differences over FCC & FTC 1964 appropriations were split last week by Senate-House conferees: FCC got $15.6 million, $200,000 more than Senate voted, that much less than House approved. FTC was voted $12,214,750—$114,750 less than Senate passed, that much more than House okayed.

Warner Bros., always a TV bridesmaid but never a licensee, is dipping toe again—filing for Ch. 38 Chicago & Ch. 20 Ft. Worth, and expected to file for uhf elsewhere, too. Warner's was a pre-freeze TV hopeful, later dropped out.

ABC-TV affiliation in Portland switches from KPTV to KATU, sister station of KOMO-TV Seattle, also ABC-TV.

RECOUPING LOSSES DURING CRISIS: Hopes increased last week that industry would salvage substantial portion of business lost during 4-day coverage of assassination. Network executives estimated that 75-80% of TV revenues would be recouped through resecheduled participations & renegotiation & extensions of program-sponsorship contracts—"make-goods."

TvB Pres. Norman (Pete) Cash looked for a 50% recovery of spot & local business through make-goods. He sent wire to top advertisers, urging them to reschedule spots instead of asking for credit for commercials skipped during crisis. He said response has been "excellent." Though he didn't identify advertisers accepting make-goods, following are reportedly included: American Home Products, Pepsi-Cola, Pan Am, Lever Bros. Pan Am, for one, didn't even ask for make-good—said it wanted to give a "small salute" to the industry for its coverage.

House Commerce Committee meets Dec. 10 to consider Senate amendments to House-passed equal-time suspension for 1964 Presidential & Vice Presidential campaigns. It also will consider bill to prevent FCC from setting limits on commercials (see p. 3). In addition, Communications Subcommittee headed by Rep. Rogers (D-Tex.) meets Dec. 9 to consider action on editorializing. Problem of license fees, which go into effect Jan. 1 but which Rogers opposes, also will be weighed. Then there's bill by Rep. Younger (R-Cal.) providing that stations don't have to give free "fair time" to balance against sponsored programs with controversial issues. He has promised hearings, probably will get Subcommittee attention. Sens. Monroney (D-Okla.) & Dominick (R-Colo.) introduced bill to block license fees, but it's aimed at aviation & boating problems, would forbid fees where govt. requires radios to be installed.

Stock dividends: Macfadden-Bartell declared initial common stock dividend since 1962 merger, a 5% stock distribution payable Jan. 2 to stock of record Dec. 19. Chmn. Gerald A. Bartell attributed declaration to sharp improvement in operations this year... **Universal Pictures** spiced regular 25¢ quarterly cash dividend by declaring extra 25¢ cash payment, both payable Dec. 27 to holders of record Dec. 17.

"That Was the Week That Was," much-acclaimed satirical show, will start life as regular NBC-TV series Jan. 10, 9:30-10 p.m., after considerable cliff-hanging (Vol. 3:46 p4). Patterned after British show of same name & theme, "TW3" had been ticketed for next fall, but "overwhelming acceptance" of Nov. 10 special moved date up.

End to racial injustice and new opportunities through adequate education for all was called for last week by NAB Pres. Collins in speech to Greater Columbia (S. C.) Chamber of Commerce. He proposed a National Minimum Foundation Plan to assure universal education & "full development" of every child's talents.

Expanded billboard holdings have been acquired by Rollins Bcstg., purchasing for $5 million plants & real estate properties, in Washington & Philadelphia, of General Outdoor Advertising Co. Earlier, Rollins bought firm's Mexican holdings.

2 STATIONS CHARGED WITH DOUBLE BILLING: FCC moved against 2 radio stations last week on charges of double billing, first such since its order of March 1962 warning industry against "fraudulent practice."

Stations are WFHA-FM Red Bank, N. J., & WILD Boston. It's learned that more stations, especially in northeast & northwest, will also be called for accounting when renewals come up.

WFHA-FM acknowledged that it had sent bills to ad agency that were 10 times rate agency was paying to station ($20 versus $2 per spot). WFHA-FM said it didn't think that was double billing because it was only sending one bill. Commission advised it otherwise, asked for full accounting before renewal—held up since June—could be acted on.

Agency involved is Mark Mitchell Advertising, N. Y. (& predecessor Beston Advertising). This agency reportedly has similar arrangements with other stations in N. Y. area. FCC called station's attention to fact that standard agency commission is 15%, not 90%.

WILD has been operating on deferred basis since Aug. 1962, following one-year short term renewal. It was charged with 3 instances of double billing plus other transgressions: Broadcast of lottery advertising, failure to withhold Federal income tax & Social Security deductions, false & misleading financial reports. In addition, station has been charged for not properly identifying record company sponsors. Application for sale of station as well as renewal are held up.

NEW & UPCOMING STATIONS: KBLU-TV (Ch. 13) Yuma, Ariz. began programming Dec. 4 as CBS-TV affiliate. New starter raises operating total to 649 (116 uhf). It's using 2-kw Dynair transmitter with Jampro antenna on 200-ft. Blaw-Knox tower. Robert W. Crites, 25% owner, is gen. mgr.; Carl Langewisch, sales mgr.; James Sears, program dir. Rep is Grant Webb. Base hour, $175.

* * * * *

In our continuing survey of upcoming stations, here are latest reports received from principals:

WBGU-TV (Ch. 70 ETV) Bowling Green, O. is now installing 1-kw RCA transmitter on top floor of Bowling Green State U.'s new administration building. It expects to meet Jan. 13 programming target, writes Dr. Duane E. Tucker, gen. mgr. & dir. of broadcasting. On Dec. 4, it started installing RCA antenna.

WNJE-TV (Ch. 77 ETV) Glen Ridge, N. J. hasn't ordered transmitter, but still hopes to start in "early 1964," according to Robert Pellet, project dir. for N. J. Educational TV Corp. It will share tower & transmitter house of radio WJRZ, W. Orange, paying only maintenance costs.

WHS-TV (Ch. 38) Boston is keeping to Sept. 1, 1964 programming target, reports Austin A. Harrison, gen. mgr. for grantee Catholic TV Centre. RCA 25-kw transmitter is scheduled for April delivery; antenna is to be mounted on roof of Prudential Tower.

Sale of KTVE (Ch. 10) El Dorado, Ark.-Monroe, La. to Fuqua Industries Inc. by Veterans Bcstg. Co. & Wm. H. Simons for $650,000 was approved by FCC. John B. Fuqua also owns WJBF(TV) Augusta, Ga.

Personals

AB-PT Pres. Goldenson receives Poor Richard Club of Philadelphia's 1964 Gold Medal of Achievement, on Jan. 17... **David Schoenbrun,** ex-CBS, joins Metromedia as world affairs correspondent.

Donald H. McGannon, Group W pres., named chmn. of 1964 broadcasting fund drive for Radio Free Europe.

Wells Church, CBS, elected chmn., Radio & TV Correspondents Assn., Washington; others: **Stephen McCormick,** MBS, vice chmn.; **John (Bill) Roberts,** Time-Life Broadcast, secy.; **John Rolfson,** ABC, treas.

Robert J. McGeehan elected exec. vp of Entron, CATV mfr... **Malcolm M. Ferguson** rejoins Jerrold Electronics as chief engineer, Community Operations Div.

H. Needham Smith promoted to WKRC-TV Cincinnati gen. sales mgr., succeeded as local sales mgr. by **Carl Flickinger,** account exec.; **George H. Rogers Jr.,** national sales mgr., adds duties as midwest regional sales mgr.

Fred Vance, ex-gen. mgr. of KVOA-TV Tucson & KOAT-TV Albuquerque, assumes management of own station radio KHOS Tucson... **Ed Hardison,** ex-N.W. Ayer timebuyer, appointed Metro TV Sales Philadelphia mgr.

D.W.G. (Don) Martz promoted from gen. sales mgr. to mgr., CFCF-TV Montreal... **S.B. (Bud) Hayward,** ex-mgr., radio CFCF Montreal, named Canadian Marconi Broadcast Div. mgr.

Peter Thornton, KDKA-TV Pittsburgh publicity dir., promoted to advertising & sales promotion dir... **Gerald M. Goldberg,** public relations dir., radio WINS N.Y., adds duties as special projects dir.

Frank G. King, vp in charge of sales, KTVU San Francisco-Oakland, returns to work after emergency appendectomy... **LeRoy V. Bertin,** ex-vp, Bernard Schnitzer agency, San Francisco, appointed sales mgr., WNBF-TV Binghamton.

John Quigley, production mgr., KMBC-TV Kansas City, promoted to operations mgr... **Carl Rochelle** promoted to news dir., WITN Washington, N.C.

TV-radio students at U.S. colleges & universities number 2,994, according to NAB study prepared by Dr. Harold Niven, asst. to vp for planning & development. Another 595 are studying for master's degrees, 132 for doctorates. Number of undergraduate students is increase of 89 over last year.

Farewell luncheon for Robert Swezey, outgoing Code Authority dir., was held by NAB at Mayflower Hotel, Washington. Pres. Collins was among 2 dozen executives & staffers who attended. Swezey's plans aren't yet known; he's residing at his Virginia farm.

New reps: WTRF-TV Wheeling, from George P. Hollingbery to Edward Petry; KEZI-TV Eugene, from Meeker to Venard, Torbet & McConnell; KROD-TV El Paso & KOSA-TV Odessa, both ex-Bolling, to Advertising Time Sales; KNOX-TV Grand Forks & KEND-TV Fargo, ex-Meeker, to Blair's BTA Div.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington, D.C. 20006
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N.Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

MGM, despite profitable TV operations, suffered $17.5 million loss in 1963 fiscal year ended Aug. 31 compared with year-earlier $2.6 million profit (see financial table). Gross revenues slipped to $136.2 million from $137 million. TV income also slipped slightly, to $20,962,706 from $21,174,495. TV profits, however, were wiped out by $39.1 million pre-tax loss in film production & distribution. Pres. Robert H. O'Brien said sag in TV revenue resulted "because some of the original license deals for the pre-1949 films were approaching expiration," noted that group of 40 post-1948 films is now in preparation for syndication. He forecast return to profitable operations in current fiscal year, said results of first fiscal quarter ended Nov. 30 confirm this expectation.

Outlet Co. expects earnings in fiscal 1964, ending Jan. 31, to "come close" to year-earlier's $945,007 ($1.90 a share) despite fact that first-half profit was down sharply (Vol. 3:43 p12). Pres. Joseph S. Sinclair said lower earnings "were anticipated" this year because company's WJAR-TV Providence has additional competition from new station. He said Outlet's broadcasting revenues & earnings will be aided by acquisition last summer of WDBO-TV Orlando. In fiscal 1963 (Vol. 3:15 p12), company's broadcasting operation earned $900,259 on record $2,227,212 revenues.

Ampex expects earnings in its 1964 fiscal year ending April 30 to rise 10% above fiscal-1963's $5 million, despite slip to $1.272 million in 2nd quarter ended Oct. 31 from year-earlier's $1.291 million (see financial table). First-half sales and earnings records were set, $48.2 million (vs. $43.1 million a year ago) and $2.2 million ($2.169 million) respectively. Midyear backlog rose to $37 million from $35.5 million, incoming orders totaled $50.2 million vs. $49.9 million at end of fiscal-1963's first half.

CBS, which sold movie rights to "My Fair Lady" to Warner Bros. for $5.5 million, will share in revenues of film which is being produced for $17 million and is expected to gross more than $100 million. Break-even point: $34 million. CBS's take: 47% of Warner's gross income over $20 million, under 7-year license agreement.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

EIA TO GET COLOR TV STATISTICS IN '64: Rosy-fingered dawn of new era in TV marketing data was discernable at last week's EIA quarterly meeting in Los Angeles when all members of its Consumer Products Div.—including RCA, including GE—agreed to throw all their production & sales figures for color and b&w TV into EIA's statistical pot, beginning Jan. 1.

Thus, for first time in 10 years, EIA's TV data will be complete. RCA has always withheld color figures, and, more recently, GE held up data on its 11-in. sets, but had agreed last Oct. to report them beginning at first of year (Vol. 3:40 p8).

Vote does not necessarily mean that EIA will report color or tinyvision output & sales as separate categories. Neither RCA nor GE is understood to have waived its "security" privilege. Since RCA currently makes more than 50% of total U. S. color sets, and GE more than 50% of all 11-in., each company will have right to invoke security—which would mean that there would be no breakdown showing color or 11-in. sets. If RCA chooses to invoke security, color & b&w sets would be lumped together. In case of 11-in. sets, EIA would probably have to revise its screen-size breakdown system to lump them in category of "16-in. & under" or "19-in. & under."

Decision does not carry any implication of release of retroactive figures, although GE has already stated it would give EIA its 1963 figures on 11-in. next year when it starts reporting 1964 figures. RCA has made no such commitment in regard to color. Admiral, Emerson & Zenith, not EIA members, participate in its market data program.

More California sunshine than smog crept into extremely harmonious 3-1/4-hour Consumer Product Exec. Committee meeting chaired by Olympic Pres. Morris Sobin. Group heard of another marketing data victory—long step toward goal of reliable tape recorder statistics. Members were told that EIA had received assurances from all major manufacturers of tape recorders—with one exception—that they will participate in statistical program. Committee was optimistic that lone holdout will reconsider and is shooting for Jan. 1 start of recorder data.

In move to obtain more import information, Committee agreed to explore what statistical data could be obtained from Japan on regular basis, and voted to consider exchange of information with other countries if it's found beneficial to U. S. manufacturers. Other actions by EIA Consumer Products Exec. Committee:

(1) It approved booklet explaining uhf & all-channel law, prepared jointly by Better Business Bureau & EIA, and voted to finance initial publication. Self-liquidating booklet will be distributed through EIA to manufacturers, dealers, service technicians, stations & consumers, will go into distribution as soon as it can be printed, to be sold in bulk by EIA. Final draft was written by consumer products staff dir. Norman Jack Wayman—who was named last week as chmn. of consumer information committee of industry-govt. Committee for Full Development of All-Channel Bcstg.

(2) It agreed to ask all manufacturers of FM stereo receivers to monitor stereo broadcasts to assure that performance standards are being met. It was told that EIA engineering dept. is studying current FM broadcast standards and investigating need for new ones.

(3) It opposed FCC ruling permitting uhf stations to transmit audio at one-tenth the power of their video signals, requesting consideration of 5-to-1 ratio instead. It also endorsed engineering committee recommendation that FCC delay proposed reduction in permissible radiation limits for uhf receivers (Vol. 3:46 p9).

(4) It reiterated its proposed definition of high fidelity, supplied to FTC, and declined to endorse hi-fi quality rating system proposed by Lincoln Walsh. It consolidated its radio, phono & new products sections into single section, whose first meeting next March will be chaired by Arvin vp Orphie R. Bridges.

Adding to sweetness-&-light atmosphere was presence at meeting of Packard Bell Pres. Robert S. Bell, 14-year EIA board member who pulled his company out of EIA last spring, partly in protest against dues structure (Vol. 3:25 p10). Although there was no indication Packard Bell intended to rejoin, Bell's presence at meeting in his company's home territory helped create old-home-week atmosphere for EIA veterans.

NEW INDUSTRY RECORDS SEEN IN '63, '64: U.S. electronics industry's factory volume will reach new all-time high of $15,325,000 000 this year, then move up nearly billion dollars more for another record—of $16.3 billion—in 1964.

This is opinion of EIA's marketing analysts, as detailed to the manufacturer association by its Pres. Charles F. Horne at last week's winter conference in Los Angeles. Here are EIA's factory sales projections for 1963-64, compared with 1962 figures (add 000):

Product Category	1962	1963	1964
Consumer products	$ 2,407,000	$ 2,550,000	$ 2,650,000
Govt. products	8,348,000	9,400,000	9,900,000
Industrial products	2,450,000	2,700,000	3,000,000
Replacement components	620,000	675,000	750,000
TOTAL	**$13,825,000**	**$15,325,000**	**$16,300,000**

EIA's projected rate of increase next year represents slowdown as compared with $1.5-billion growth from 1962 to 1963. Much of this leveling-off is attributed to impact of imports. As Horne pointed out, "although the U.S. still enjoys a favorable balance of trade in the international exchange of all electronic products, a very unbalanced situation has arisen in consumer products & components. Only military-industrial exports maintain our over-all advantage."

In consumer products, color TV sales increase is expected to make difference between anticipated dollar-volume increase (modest $100 million) and potential decrease in face of import competition. "Only a sharp decline in monochrome set sales after the all-channel law becomes operative" could reverse trend to increase, Horne added.

Summing up 1963, he cited "renewed vigor" of consumer products, sparked by color TV, tinyvision, FM stereo & AM-FM auto radios. Latter 2 categories, he added, have resulted in increased average dollar volume for all radios. Although public in 1963 probably will have bought more than 30 million radios of all types, imports are expected to represent some 14 million of this number. He credited phono business with sales of 5.6 million instruments at $460 million this year—a figure which many phono manufacturers seem unwilling to accept in view of recent evidence of winter sales slowdown.

"The dollar volume of domestically produced monochrome TV sets has declined as imports have risen sharply," said Horne. "The year 1964 may see a decline not only in monochrome TV dollars but also in units as imports increasingly penetrate the domestic market." TV imports for 1963 are estimated by EIA as approximately 450,000 sets.

Effect of component imports is underscored in EIA's revelation that 12% of the content of domestically produced TV sets was represented by imports during first half of year. Adding imported complete sets to this figure (156,000), Horne concluded that 16% of domestic market for TV receiver components was taken over by foreign producers. Imports comprised 18% of domestic tube market—or 50 million through Sept., compared with 52 million for all of 1962.

Uncertainties which "cast clouds over this optimistic forecast" were listed by Horne as: (1) Possible decline in TV sales as result of all-channel law. (2) Potential lowering of tariffs on electronics imports by as much as 50% at 1964 GATT international trade conference.

COLOR TUBE CAPACITY COULD REACH 1.5 MILLION: As Sylvania & Rauland begin phasing into production, and RCA continues to blast away on 3-shift basis, it appears possible that industry may have capacity to turn out 1.5 million color tubes next year. This is number of tubes cited to us last

Sept. by RCA Group Exec. Vp W. Walter Watts as estimated minimum number industry will require in 1964 (Vol. 3:37 p8).

There's no assurance industry will reach 1.5 million tubes, of course—but this number might be good educated guess, if no more unforeseen snags develop.

Sylvania says it's now beyond pilot production phase, is shipping color tubes, and sticks to earlier forecasts that it will turn out 15-20,000 balance of this year. (Most industry observers see results closer to low figure.) Sylvania's principal customer is understood to be Warwick.

Zenith's Rauland Corp. isn't in big production yet, but is now optimistic. One report is that its Nov. color tube output was double that of Oct., and is expected to redouble in Dec.—for whatever that's worth. It's understood Rauland has decided to order supplementary production equipment to double its present capacity. This is taken to mean that company is confident its production problems are on way to being licked, and that it expects good demand. National Video is still plugging away with small-scale output, and isn't expected to have any sizeable production this year.

As to 1964, guessing game puts Sylvania's color tube production capacity at about 190,000, Rauland's at perhaps 250,000, RCA's at whopping 1 million. For longer-term future, it's believed Rauland's new plant can turn out about 400,000 annually, and that RCA can convert sufficient facilities to make 2 million a year.

Also on longer-term basis, there's some spicy speculation going around about new contract negotiations between Paramount Pictures & Japan's Sony Corp. Principals are silent, but there are reports that deal would provide for Sony to manufacture Paramount Chromatron color tube in Japan in small sizes for domestic use and export to U.S., and later perhaps for Sony to participate in setting up color tube plant in U.S. Sony already has license from Paramount to develop Chromatron for domestic use, and officials have said practical producible tube is at least 2 years off—so speculation about Sony's plans is in terms of late 1960's... not near-future.

TV-RADIO PRODUCTION: EIA statistics for week ended Nov. 29 (48th week of 1963) excluding 11-in. and smaller:

	Nov. 23-29	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV...	114,976	150,992	98,551	6,555,526	6,047,292
Total radio	327,898	456,538	412,185	17,006,859	17,825,961
Auto radio.....	167,475	198,196	196,427	7,400,061	6,583,305

TOPICS & TRENDS

Third U.S.-made 11-in. set is now being shipped to dealers by Curtis Mathes. As reported in these pages last Sept., new entry in tinyvision race is first set to feature Shelbond bare-faced picture tube. CM is offering 4 basic models, leader set bearing list of $99.95, as does GE's & Admiral's, with step up at $109.95, all-channel models $20 extra. Set weighs 13 lb. (about same as GE's), has steel-frame chassis, horizontal plastic cabinet which resembles GE's more than Admiral's. Dimensions are 14-3/4-in. wide, 9-1/4-in. high, 10-1/4-in. deep.

GE will emphasize all-channel sets when it drops in 2 more 11-inchers next month, featuring uhf versions on spec sheets, mentioning vhf-only sets in smaller type. New sets will be one in desert sand color at $119.95, ebony & chrome $134.95 (vhf-only $20 less).

First book-length biography of Gen. David Sarnoff was published last week by Encyclopaedia Britannica Press as part of its "Great Lives" book series for young adults. "Putting Electrons to Work—David Sarnoff," by John Tebbel, head of NYU journalism dept., contains heretofore unpublished anecdotes about the RCA chairman, as well as plea to young scientists to learn more about man himself. "Though man has understood the complexities of the atom, he has largely failed to understand his fellow man," Sarnoff is quoted. "He has learned to see & hear electronically to the outer reaches of space, yet his mind has been unable to cross the narrow boundaries of prejudice."

BATTLE OF LOUISVILLE: Old-line retailers have won first skirmish in interesting battle to force Louisville discount houses to comply with Kentucky's 162-year-old Sunday anti-work law. In decision which could have national ramifications if upheld by state's Court of Appeals, slated to review case Dec. 6, Chancery Court issued injunction barring Sunday opening against 9 discounters, effective Dec. 2.

Injunction suit, believed first action of its kind by conventional retailers against discounters, was filed by The Retail Merchants Assn. of Louisville. It was aimed at some pretty big discount chains. Among them: Arlan's, GES, Zayre. "We went to court because in this state, as in many others, the Sunday closing law was not enforced," we were told by RMAL Pres. Harold S. Johnson, pres. of J. Bacon & Sons Department Stores. "It had been enforced for a while but only nominal fines were imposed, and they began to open again on Sundays."

Action was viewed by GES Pres. Alvin Einbender as part of "concerted effort by some conventional retailers to seek enforcement against large retailers, mainly discount firms. They're feeling the competition. The law has been enforced only against a small number of retailers."

Nub of controversy is Kentucky's ancient anti-work law which, if enforced, "would make it unlawful for you to even mow your lawn on Sunday," in opinion of James Thornberry, attorney for the discount defendants. "This is a nuisance law and it could be enforced against anything that moves on Sunday. You don't even have to get paid for the work to be in violation." He noted that law was revised "several years ago by old-line merchants to combat the discount stores," emphasized that "our law is stronger than similar ones in most states because it's a no-work statute, not an anti-selling law." Fines for violation range from $2 to $50.

"I think we have a good chance to upset the injunction before the Court of Appeals," Kentucky's highest court, Thornberry told us. "If we don't, I'll have to advise my clients to close on Sunday. It's one thing to take a chance on a misdemeanor. It's something else again to risk contempt of court."

His optimism about upsetting injunction stems in part from his conviction that plaintiffs can't prove irreparable damage resulting from discounters' Sunday business. "An injunction is for extraordinary relief," he noted, "and those asking for it must show irreparable damage. Obviously, stores that remain closed Sundays can't prove that they're losing business because they can't prove that the people who bought from discounters on Sunday would have bought from them on Monday if the discounters also were closed on Sunday."

Administration's anti-Quality Stabilization stand is expected to remain unchanged under President Johnson, in opinion of discount industry's 2 major anti-QS groups. "President Johnson has promised to carry on the programs of the Kennedy Administration and the latter was 100% opposed to any form of price fixing," we were told by Roger Courtland, exec. secy. of National Assn. of Mass Merchandisers. Committee for Competitive Prices (Vol. 3:41 p7) told us: "Our hasty calls and checks indicate that President Johnson is firmly opposed to price fixing. Also, he comes from a non-Fair Trade state."

FIRST WINTER DROP-INS: No radical changes showed up at first major new-set showings of winter, at distributor meetings of RCA & Zenith in New Orleans & Chicago, respectively.

Zenith showed its traditional complete new line, but withheld details pending distributor showings. It's understood, however, that there were no startling innovations either in set design or pricing.

In its largest midyear TV line in history, RCA dropped in 24 new TVs, including 10 color sets. New portable line, usually shown in Feb. or March, was pushed up to Dec.—obviously because all-channel law will require another complete new line next summer. Color sets begin with new low-end ebony table model at $449.95, now available with remote control at $549.95. Other new color sets are metal-cabinet consolette at $499.95, variety of consoles & consolettes at $549.95, $599.95 & $650.

Portable line is led off with new version of 16-in. at $129.95, with $139.95 step-up, followed by open-list 19-in., other 19s at $149.95, $159.95 & $179.95. Seven-set line is 2 models shorter than last year's. RCA also introduced 7 new 23-in. table models & consoles starting at $189.95. Color line now has 22 sets, New Vista b&w line 24.

Olympic has added 4 new color consoles in decorator cabinets, unpriced, to bring color line to 13 models in 17 versions.

Philco will debut new portable TV series and additions to its console TV & stereo lines at Dec. 15-17 distributor meeting at Ford hq in Dearborn, Mich. Packard Bell will show portable line in mid-Jan.

Authority to decide matters of warranty & customer service has been given to Philco branch distributor service managers. Heretofore, service district representatives were responsible for final approval. Authorizing branch service managers to "make these decisions on their own authority without waiting for a service district representative to act," emphasized Philco Parts & Service Operation Mgr. Ray Nugent, "means faster decisions which, in turn, means faster handling of customer problems." Philco also realigned its field service organization, named A. J. Tagnon field service mgr.

Temporary injunction was won last week by General Instrument in its "piracy" case against Industrial Electronic Hardware Corp. and 2 former GI employes who are heading IEHC's upcoming uhf tuner production activity (Vol. 3:47 p7). N. Y. Supreme Court Judge Sidney A. Fine granted temporary injunction with proviso that GI accede to IEHC's request that suit be filed promptly. GI is expected to charge that former employes intend to use its uhf tuner trade secrets.

Oak Mfg. plans to double tuner production in 1964 to about 3 million from 1963's estimated 1.5 million. To accommodate increased production, Oak is expanding Elkhorn, Wis. factory 35%, will add 300-400 employes early next year.

U. S. debut of Sony's 9-in. transistor portable is scheduled next month at Chicago's furnitures & Housewares shows. The 12-lb. battery & AC set is still unpriced, measures 9-5/8-in. high, 8-5/8-in. wide, 7-5/8-in. deep.

Trade Personals

Charles F. Horne, pres. of EIA & General Dynamics/Pomona, selected to receive EIA Medal of Honor, manufacturer association's highest award, for "outstanding contribution to electronics industry" at EIA quarterly conference in March at Washington.

Clarence B. Flinn promoted from Admiral gen. sales mgr. to independent distributors vp, a new post.

Stanley L. Abrams, asst. to Emerson Pres. **Benjamin Abrams**, elected a dir.

Jim Turner named Packard Bell Home Products Div. value analysis & engineering coordinator, a new post... **Bruce Bradway** appointed Philco Consumer Products Div. merchandising specialist, a new post.

Herman Fialkov, General Instrument vp & group vp of company's Semiconductor Products Group, appointed chmn. of EIA's newly formed Microelectronics Section of Semiconductor Div.

Ronald I. Friedman appointed General Instrument national distributor sales mgr. for capacitor products.

Mel Levine named Monarch Electronics International sales vp, succeeding **Herbert Levy**, appointed exec. vp of the L. A. radio-phono-recorder firm.

Roger B. Neighborgall, ex-General Precision & ITT Federal Labs, appointed asst. vp of General Instrument's Defense & Engineering Products Group with hq in Washington.

Andrew M. Kennedy Jr., Westinghouse purchases & traffic vp, named mgr. of Micarta Materials Mfg. Div. & Industrial Ceramics Div.

Joseph W. Barron elected administration & planning vp, **Robert J. Campbell** mktg. vp, GPE's Link Div.

John A. Johnson, ex-NASA gen. counsel, appointed ComSat international arrangements dir.

John B. Montgomery, Daystrom pres., elected a vp & a dir. of parent Schlumberger Ltd.

Shapp's Senatorial ambitions: Jerrold Chmn.-Pres. Milton J. Shapp is giving "serious consideration" to seeking Democratic nomination for U.S. Senator in Pennsylvania's primaries next year, expects "to have an announcement shortly after Jan. 1." If he fails to win organizational support for Senatorial nomination, noted Dec. 1 "Philadelphia Inquirer," Shapp, "it was disclosed by a reliable party source, has served notice on Pennsylvania's party leaders that he is prepared to wage an independent campaign."

Motorola's b&w TV sales at distributor level set new unit record in Nov., Motorola Consumer Products Inc. mktg. vp S. R. (Ted) Herkes announced. He said sales were 40% higher than Nov. 1962. Stereo phono sales were up, too—more than two-thirds of distributors showing "substantial unit sales increases."

Symphonic Electronic's anti-trust suit against Nippon Electric and others (Vol. 3:43 p10) was not vacated by Federal District Court, as requested by defendants. Judge Edward C. McLean reserved decision on motion.

MAGNAVOX—NEW DIRECTIONS? Magnavox's reported deal to make private-label TV & stereo for Montgomery Ward lacks confirmation at all levels, and there's industry speculation that it's at the negotiation—rather than contract—level. Nevertheless, move into large-scale private-labeling—if it comes off—seems to be logical move for Magnavox.

To some, it appears only way to achieve Pres. Frank Freimann's stated goal of 10% of industry TV sales. Magnavox, of course, is self-limited in its growth potential by its franchise system, although in recent months its extension of franchise to Singer Stores, Friendly Frost & Sol Polk (Vol. 3:48 p9) has broadened its direct-to-dealer horizons.

With its new modern plant in Greenville, Tenn., Magnavox has far greater production capacity than it's now using. Magnavox, which acquired Spartan & Sentinel TV brands in 1956 (Vol. 12:6 p6), has been in & out of private-label business, but never was in firmly with both feet. It has made phonos for Columbia, TV & phonos for several dept. store labels.

Principal suppliers of Ward's Airline brand are currently Wells-Gardner, Westinghouse (portable TV) & TraVler. There's no question private-label field is growing—some estimate it as encompassing 20-25% of TV market next year—and there are few set makers who wouldn't listen to interesting private-label proposition.

Sept. factory sales of TV picture tubes declined both in units & dollars from Sept. 1962. Receiving tubes increased in unit sales but declined in dollar value. Nine-month results: picture & receiving tube unit & dollar sales continued to trail year-ago pace by sizable margins. Sept. picture tube sales slipped in units to 847,174 from 866,512, in dollars to $15.8 million from $16.5 million. For first 3 quarters, unit sales trailed 6.7 million to 6.8 million, dollar sales $124.7 million vs. $130 million. Sept. receiving tube sales rose to 31.8 million units from 31.6 million, slipped in dollar value however to $24.6 million from $25.3 million. Cumulatively, Jan.-Sept. unit sales trailed 252.2 million vs. 274 million. Dollar value sagged by more than $22 million to $206.2 million from $228.5 million. Here are EIA's figures:

	Picture Tubes		Receiving Tubes	
	Units	Dollars	Units	Dollars
January	890,246	$ 16,846,046	27,025,000	$ 22,524,000
February	639,392	11,990,595	26,382,000	22,354,000
March	760,524	14,223,503	30,285,000	25,643,000
April	771,073	14,197,385	26,167,000	21,521,000
May	703,393	12,888,058	26,662,000	21,600,000
June	707,541	13,462,906	29,332,000	23,764,000
July	603,622	10,818,297	22,688,000	18,148,000
August	767,529	14,473,647	31,569,000	25,785,000
September	847,174	15,828,272	31,780,000	24,594,000
Jan.-Sept. 1963	**6,687,494**	**$124,728,710**	**252,224,000**	**$206,235,000**
Jan.-Sept. 1962	**6,782,798**	**$129,970,298**	**273,911,000**	**$228,501,000**

N. Y. fair-trade prices of GE color sets have been reduced $40-$80, low-end model (formerly $449) now being fair-traded at $398. Other sets are fair-traded in N. Y. at $418, $468, $515, $555 & $565. At time of color leader's introduction last spring, GE spokesman said $449.95 price leader could be sold at $399 on same basis as Admiral's low-end set and "GE is prepared to be competitive" (Vol. 3:24 p7).

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Ampex Story on p. 6	1963—6 mo. to Oct. 31	$ 48,217,000[1]	—	$ 2,205,000[1]	$ .28	7,827,434
	1962—6 mo. to Oct. 31	43,120,000	—	2,169,000	.28	7,799,407
	1963—qtr. to Oct. 31	24,804,000	—	1,272,000	.16	7,827,434
	1962—qtr. to Oct. 31	21,607,000	—	1,291,000	.17	7,799,407
Harvey Radio	1963—9 mo. to Oct. 31	5,215,533	$ 442,198	219,619	.27	808,413
	1962—9 mo. to Oct. 31	5,275,938	536,149	261,173	.32	808,413
MGM Story on p. 6	1963—year to Aug. 31	136,219,445	(31,778,965)	(17,478,965)[2]	—	2,574,629
	1962—year to Aug. 31	136,999,002	5,289,269	2,589,269	1.01	2,569,229
Screen Gems	1963—qtr. to Sept. 28	—	1,009,000	515,000[1]	.20	2,538,400
	1962—qtr. to Sept. 28	—	958,000	468,000	.18	2,538,400
Warner Bros.	1963—year to Aug. 31[3]	87,129,000	—	5,699,000	1.17	4,850,052
	1962—year to Aug. 31	79,864,000	—	7,566,000	1.56	4,830,052
Webcor	1963—year to May 31[4]	42,466,285	—	(5,049,168)[5]	—	987,774
	1962—year to May 31	49,375,681	—	276,323	.28	987,774

Notes: [1]Record. [2]After $14.3 million tax credit. [3]Preliminary. [4]From SEC report. [5]Before gains from sale of assets reduced net loss to $4,474,925.

RCA DOES IT: It finally happened at week's end—but the melon RCA cut was even juicier than some financial observers had anticipated. It was cut 3 ways—not 2—and dividend was increased again.

Three-way stock split was proposed by board of directors Dec. 6, to be voted at special meeting Jan. 29 of shareholders of record Dec. 16. Quarterly dividend on present stock was hiked from 35¢ to 45¢, payable Jan. 27 to holders of Dec. 16. On last March 1, dividend went up from 25¢ to 35¢. Board also announced intention of declaring quarterly dividend of 15¢ per share on new stock March 1.

Stock split proposal & dividend increase, said RCA Chmn. David Sarnoff, reflect "RCA's growth record of the past and its confidence in the future. We expect by the end of this year to register our 11th consecutive quarter of profit improvement over the comparable quarter of the year earlier."

RCA's onrushing common stock, which had a 1963 low of 56 and closed at 70 Oct. 1, broke 100 last week and hit record 102-3/4 on rumors of impending stock split. Stock's last split came in 1929 when it was divided 5 for 1 and a 1924-created Class A issue was called.

TelePrompTer's sale of its Weathers, Conley Electronics & Audio Visual divisions to Defiance Industries (Vol. 3:46 p11) has run into snags. Former's Chmn.-Pres. Irving Kahn charges that Defiance failed to appear by Nov. 15 deadline to close sale, claims breach of contract, is seeking other buyer. Defiance retorted sale couldn't be completed without SEC approval, filed suit in N. Y. County Supreme Court for declaration that contract still is in full force & to restrain TelePrompTer from disposing of properties to another buyer.

Ford-Philco merger so far has cost Philadelphia area "more than it has gained," noted Dec. 2 "Philadelphia Inquirer," adding, "Philco employment in the Delaware Valley was 15,000 in 1961. It fell to a low of 10,000 last April but is now back to 11,200. It may, however, drop again for a period during the reorientation of Philco's Lansdale Div. from the production of transistors to microelectronic devices." Newspaper also noted that Philco's "principal banking needs are now handled by Ford in Detroit [and] its auditing is now centered in Detroit." At time of merger, paper continued, 4 of Philco's 6 divisions "were operating in the red. Today, according to sources close to the company, only the Consumer Products Div. is still in the red and this division is making 'real progress toward profits.'" Paper quoted Pres. Charles E. Beck: "The very fact that we have such a small part of the appliance field indicates the opportunities for growth." Over-all, Beck was quoted, "Business is up across the board. Substantially so. Philco has a bright future." Although Philco ended 1963's first 9 months still in the red (Vol. 3:45 p10), "Inquirer" summed up: Merger "may turn out to be one of the best things that ever happened to the Delaware Valley economy. Philco was in trouble in 1961."

ITT has completed acquisition of L. A. electrical connector manufacturer Cannon Electric (Vol. 3:48 p11) via a new subsidiary, ITT Cannon Electric. New operation will headquarter in L. A., employ some 4,000 persons, principally in the U. S. Cannon's 1962 sales topped $50 million.

I. I. T. Research Institute (formerly Armour Research foundation of Ill. Institute of Technology) reported research volume in 1963 fiscal year ended Aug. 31 jumped 16% to $23.5 million from $20.3 million a year earlier. During year, it undertook 716 research programs.

NAB LIBRARY

WEEKLY **Television Digest**

with

Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

DECEMBER 16, 1963 NEW SERIES VOL. 3, No. 50

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

DETAILS OF 'OVER-COMMERCIALIZATION' DECISION disclosed, with final action due this week. Automatic approval for station not exceeding NAB-Code-like limits; those with more to go to Commission for case-by-case consideration (p. 1).

THE PERVASIVE CATV INDUSTRY: President Johnson drawn into Austin case; FCC proposed new CATV microwave rules; 'TAME' fighting new CATVs throughout country, including Dayton, Galveston, Reading; Canadian govt. worried about controls; British gives cabled pay-TV test go-ahead (p. 2).

TELCAN TV RECORDER PREVIEWED by Cinerama for stockholders; production of home video unit promised in 4-6 months, along with $150 TV camera (p. 3).

HOUSE UNITS ACT ON COMMERCIALS, EDITORIALS: Commerce Committee approves bill to prohibit limits on commercials, Moss preparing dissent. Communications Subcommittee plans bill requiring stations to broadcast they have obligation to present contrasting views. Hearing sought on fairness doctrine (p. 4).

KINTNER WARNS ON RATINGS DECEPTION: Former FTC chmn. says misuse of figures in ads or in sales presentations will bring govt. sanctions, states 'hypoing' is illegal. RAB-NAB steering committee meets (p. 4).

Consumer Electronics

INDUSTRY'S TV PREDICTIONS for '64, based on our special survey: Total TV sales of 7.5 million sets—including at least 1 million color; tinyvision sales to increase, while b&w console sales continue slide; all-channel law to have some effect on sales; imports to rise to 800,000 (p. 7). Digest of individual manufacturer replies (p. 10).

MOTOROLA 23-IN. COLOR prospects are better, says Galvin, but "we still don't know for sure;" Sylvania's Connor sees 1.5-1.6 million factory color sales in '64; RCA hails best color & b&w year (p. 8). Motorola's financial prospects (p. 11).

WINTER DROP-INS from Admiral, GE, Motorola, Sylvania fill gaps in lines, reflect trend to more-for-money (p. 11).

BATTLE OF LOUISVILLE—CONT'D: Court of Appeals refuses to disallow temporary injunction requiring 9 discounters to obey state law and remain closed on Sun. If they win case, discounters plan to seek damages for business lost (p. 11).

DETAILS OF 'OVER-COMMERCIALIZATION' DECISION: FCC's decision on commercial ceiling is due this week—and we've learned what it is. In meeting Dec. 12, following Dec. 9-10 oral argument, Commission told staff to work up draft for final action this week. In a word, FCC will neither throw out its proposal completely nor revert entirely to status quo. Here are the details:

(1) A certain level of commercials (for TV & radio) will be established. These figures will be similar to limits in NAB Codes.

(2) Stations with commercial levels below the established & published figures will be approved automatically at FCC staff level. Those going over the levels will be referred to commissioners for case-by-case action, each to be judged on its special circumstances.

(3) Commission will reassert, of course, that it is satisfied it has statutory authority to do foregoing. It will also say that it's concerned about "over-commercialization."

(4) New TV program form will be issued simultaneously—as a proposal subject to oral argument before full Commission, probably in Feb.

(5) Procedures above are interim, pending finalization of new program forms. Commission will incorporate in new forms what it learns under interim procedure.

(6) AM-FM program form will be discussed in special Jan. 6 meeting (Vol. 3:49 p2).

Guessing at FCC is that foregoing will be finalized this week with 6-1 or 7-0 vote.

We understand that one commissioner, in discussion last week, was violently urging that Com-

Copyright 1963 by Television Digest, Inc. Reproduction in any form, without written permission, prohibited.

mission throw out entire proposal & forget it. There were enough votes there to do it—but another member, who, though he also opposed proposal, urged that such action would be much too drastic.

Procedure sounds similar to long-time FCC practice. But here's basic difference: Licensee never knew what level of commercials guaranteed automatic approval; Commission would change figures from time to time, telling staff which cases commissioners themselves wanted to weigh.

Earlier in week, full House Commerce Committee told Commission to keep hands off specifics. At same time oral argument was going on, Committee approved bill by Rep. Rogers (D-Tex.) to prohibit FCC from setting limits on length & frequency of commercials (see p. 4). Here's sampling of comments at oral argument:

Clara Logan of National Assn. for Better Radio & TV supported FCC, said it was "shameful" that Commission's efforts have been attacked as govt. interference with private enterprise. She said "flagrant excesses" exist, that one TV station monitored by NAFBRAT was "very careful not to interrupt its commercials with an over-abundance of entertainment." Among many monitoring examples cited, she said one Los Angeles network station telecast 14 spots in 14-1/2 min. news & sports show.

Steven Finz, 20-year-old law student, testified for League Against Obnoxious TV Commercials—group "fighting overly aggressive, downright insulting TV commercial messages." He said League in one year has grown to "6,300 active, balloting, boycotting members."

Richard Nicodemus, sociologist for National Recreation Assn., provided psycho-sociological treatment. He said "OC" (over-commercialization) is an expression of public's immaturity, said standards are necessary in "our organizational society." He referred to "repetition syndrome" as "echolalia"—the habit of repeating. Comr. Loevinger, who likes to read, inquired in kind: Why do viewers insist on this "masochistic exercise" when there are so many other things to do?

Attorney James McKenna appeared for ABC, said he knows FCC isn't going to abandon field of over-commercialization completely, offered this proposal: Ask station on renewal application if it complies with NAB Code; if it doesn't, request its commercial policy—then weigh policy as part of station's over-all performance. He said there are many valid reasons why stations don't subscribe to Code, said it's more suitable to large market vhfs than to smaller-market stations.

Judge Samuel I. Rosenman appeared for CBS, said he opposes plan because: (1) It would take responsibility for determining public interest away from broadcasters. (2) It's first time FCC proposed direct action on the industry income which helps provide "great public service programming."

Attorney Howard Monderer of NBC said public interest can't be equated with mathematical formula, noted that NBC has had its own commercial standards for more than 30 years, that Codes are good accommodation of varying situations. He urged FCC not to act because it has no hard facts on which to base rule. To this, Chmn. Henry repeated his assertion: "We have no information because [the industry has] seen fit not to give it to us."

NAB General Counsel Douglas Anello was on stand 2 hours, challenged FCC's legal memorandum (Vol. 3:49 p3). He said it's "fallacious" to think that because FCC considers over-commercialization on case-by-case basis, it can therefore write over-all rule. He said that this would determine standards "in advance," that commercials should be considered part of over-all programming in determining public interest. Re legislative history: "At best Congress didn't give FCC the power."

Arthur Tatham of Tatham-Laird, Chicago agency, and chmn. of AAAA, opposed FCC plan because it doesn't come to grips with problem, said "clutter" is caused by non-program messages (public service announcements, show credits, etc.), stated broadcasters will—and must—solve problem.

THE PERVASIVE CATV INDUSTRY: CATV continues to penetrate into more & more areas—even into high-level politics. Items: (1) KTBC-TV Austin, Tex., just put into trusteeship by President Johnson's wife, was involved in local CATV conflict decided by FCC last week. (2) FCC issued proposed rules governing CATV use of microwave. (3) "TAME" organization of receiving antenna makers, et al., reports progress in fight to block CATV growth. (4) British govt. decided to allow 3-year test of cabled pay-TV in London. (5) In Canada, Secy. of State Pickersgill urged Parliament to impose

greater controls on CATV while reports circulated that new firm, Canadian Home & Theatre Vision Ltd., backed by British & U.S. capital, planned massive entry into CATV.

Austin situation involves 2 competing CATV systems. TV Cable of Austin Inc. uses microwave to gather distant signals; Capital Cable Co. doesn't, having instead receiving antenna atop KTBC-TV's tower. TV Cable got microwave grant by agreeing not to duplicate KTBC-TV's programs 30 days before or after telecast. It complained to FCC that Capital Cable gets unfair advantage by carrying shows simultaneously with station, asked for waiver of 30-day rule. Last week, FCC turned down request, as it has all similar pleas by CATV microwaves elsewhere.

What heated up the situation was prompt demand by Rep. Gross (R-Iowa) that Congress investigate FCC action—because KTBC-TV has option to acquire 50% of Capital Cable and had been controlled by Mrs. Johnson. He urged ban on TV-radio ownership by govt. officials, including congressmen.

Commissioners are irked by charges, asserting that obviously no skulduggery is involved—because FCC applied its uniform policy. However, politics being what they are, attempts to embarrass President Johnson will be made as long as his family has any connection with stations.

Meanwhile, FCC's proposal on CATV regulation follows general outlines of staff recommendation we disclosed (Vol. 3:43 p3)—except that, for present, it limited its action to microwaves, hasn't moved toward trying to regulate entire CATV industry.

There are 2 basic factors to FCC plan: (1) Duplication of station programs by CATVs in station's Grade A contours would be prohibited for 15 days before & after station telecasts. (2) CATVs would be permitted to carry at least 2 network programs in any situation.

If stations & CATVs arrive at satisfactory arrangements differing from foregoing, it's OK with FCC. If station wants protection out to Grade B, these will be weighed on case-by-case basis. Existing microwaves, abiding by current 30-day protection, will change to 15-day protection after Jan. 13—unless opposed by stations. New applicants agreeing to proposed rules can get grants now.

FCC decision is in form of proposed rule-making in Business Radio & Common Carrier services. Comments are due Jan. 22, reply comments Feb. 12. It's 12 pages—we'll be happy to get you copy.

TAME organization fighting CATV reports it's working at grass roots level in following places now: Georgia, where big meeting is set for Jan. 20 in Atlanta; Connecticut, where Public Service Commission is setting up CATV standards following go-ahead by Legislature; New York, where TAME men are battling against proposed CATVs in Johnstown, Gloversville, Amsterdam, Utica, Glens Falls; Texas, where Galveston system is proposed; Ohio, where CATVs are planned for Dayton & Lima; Iowa, where fight centers on Sioux City & Ottumwa; Pennsylvania, where Reading system is sought by operator of Hazleton CATV.

TAME expects support soon from big National Electronic Distributors Assn.; Carolina chapter has asked for national endorsement of TAME objectives in Jan. 18 New Orleans meeting.

British cable pay-TV test will be in 3 London areas, by 5 firms: Choiceview Ltd. (Rank & Rediffusion); Telemeter Programs Ltd. (Paramount Pictures, "Manchester Guardian," British Lion Films); Tolvision Ltd. (Sir Isaac Wolfson, Hambro's Bank); Pay-TV Ltd. (British Relay Network); Caledonia TV (Scottish group).

SNEAK PREVIEW OF TELCAN TV RECORDER: Cinerama Inc. held first U.S. demonstration of British-developed Telcan home video tape recorder Dec. 13 at its stockholders meeting in N.Y.

No U.S. TV manufacturers, no outside technical people, have yet seen Cinerama's U.S.-standards version of Telcan—nobody, in fact, except Cinerama stockholders, security analysts and "Wall St. Journal" (present at stockholder meeting). Industry, therefore, is champing at bit to see for itself, judge performance. Firm announced last Sept. that it intended to manufacture & market recorder itself.

Home TV recorder will be marketed in 4-6 months, Cinerama Pres. Nicholas Reisini told stockholders, at price "slightly higher" than its proposed British tag of $160. He said company would also sell miniature home TV camera for about $150. Stockholders' pictures were recorded & played back at demonstration, Dow-Jones news wire ("Wall St. Journal") reported.

HOUSE UNITS ACT ON COMMERCIALS, EDITORIALS: House put in heavy week as parent Commerce Committee & Communications Subcommittee held wide-ranging closed meetings on commercials, equal time, editorializing, fairness doctrine. Commerce Committee actions:

(1) Approved bill by Rep. Rogers (D-Tex.) to prohibit FCC from setting limits on length & frequency of commercials (for FCC moves see p. 1). If bill gets to House floor, it won't be until next year. Rep. Moss (D-Cal.) criticized move, is preparing dissent, expects others on Committee to join him. "I was the only one to vote against the bill when the Subcommittee considered it, but not when the Committee passed on it," he told us. He said it would be a mistake to deny FCC authority, stated some broadcasters have gone "hog wild." (For N.Y. meeting on commercial practices, see p. 5.)

(2) Discussed Senate amendments to H. J. Res. 247 which would lift equal time requirements for 1964 Presidential & Vice Presidential candidates, but took no action, made no recommendations. It's understood that inclination of Committee is to wait until President Johnson has chance to consider measure.

Communications Subcommittee, chaired by Rogers, reviewed testimony of its editorializing hearings of last July & Sept. It concluded that on-air advocacy is "one of several methods" by which stations can serve their communities and should be considered in the public interest, if conducted fairly.

Subcommittee cautioned, however, that decision to editorialize "should rest entirely with the individual licensee" and "under no circumstances" should decision not to editorialize be considered "adverse factor" by FCC. In letter to Commerce Committee Chmn. Harris (D-Ark.), Rogers outlined these steps Subcommittee thinks should be taken:

(1) Broadcasters should be required to carry statement at time of editorial explaining that they're obligated to "afford reasonable opportunity for the discussion of viewpoints in contrast with those expressed in... editorials." Subcommittee plans to introduce bill to that effect next session of Congress.

(2) Hearings will be held on issues dealing with fairness doctrine—both of which Rogers considers "very controversial": (1) Problem of candidate who is attacked in editorial but is required to have "spokesman" answer editorial, for fear of setting off chain reaction of rebuttals by all candidates. Moss introduced bill requiring that "equal time" apply to editorials for or against candidates. (2) Obligation of broadcasters to permit free presentation of views to answer paid controversial program. Rep. Younger (R-Cal.) introduced bill to relieve broadcasters of obligation to give free answer to paid viewpoint.

KINTNER WARNS ON RATINGS DECEPTION: Misuse of ratings in either station ads or in sales presentations constitutes unfair competition subject to "severe sanctions" of FTC & FCC, so warned former FTC Chmn. Earl W. Kintner, now practicing Washington attorney. He also reminded that "hypoing" is illegal.

Kintner told International Radio & TV Society in N. Y.: "Radio and TV stations must take 'reasonable precautions' to insure that the rating surveys which they employ are valid. Assuming that [they are], stations and their representatives must present survey results in an accurate and truthful manner." To do otherwise makes purchasers of advertising time "victims of misrepresentation, and competitor stations... victims of an unfair method of competition," he stated.

Broadcasters should keep complete file of correspondence when raters answer inquiries on inconsistent or aberrational rating results, he suggested. Practice of hypoing—using special promotions, contests or programming to distort ratings during ratings week—"must be avoided... because [it's] an unfair method of competition and a deceptive practice within the meaning of the FTC Act and ... because the practice is detrimental to the best interests of a great industry," Kintner stated.

In other developments, RAB-NAB steering committee held first meeting to implement joint radio methodology study. George B. Storer Jr., pres. of Storer Bcstg., was named chmn. of 14-man group. Committee announced plans for series of smaller pilot studies, leading to major study that would provide one or more "valid methods" to measure full audience. Technical subcommittee meets this week

N. Y. meeting on commercial practices will be held Dec. 18 for candid exchange by NAB & Code executives with agencies, advertisers, networks. About 2 dozen will attend. Networks are expected to send representatives, though they rebuffed NAB Pres. Collins when he first proposed similar meeting few months ago. Among those attending: Collins, Code Authority Dir. Howard Bell, NAB Board Chmn. William Quarton, TV Code Board member Robert Ferguson, Clair McCollough, Donald McGannon who will also give progress report on rating reform. Top agency & advertiser personnel are being rounded up by AAAA Pres. John Crichton & ANA Pres. Peter Allport. Sen. Pastore (D-R.I.) has requested report on outcome of meeting, invited networks to attend. In related move, NAB topkicks were annoyed at report in trade publication that NAB has "secret deal" with stations telling them not to worry about Code standards during Christmas season. They're concerned over reflection on industry efforts to regulate itself. Collins & Bell said rumor is "completely without foundation."

Local-live programming and meeting community needs were issues raised last week as FCC Comrs. Ford & Cox dissented from majority opinion renewing WCSC-TV Charleston, WFBC-TV Greenville, WSOC-TV Charlotte. Cox said Commission had no information on which to judge stations' adherence to criteria. On contrary, he stated, information at hand indicated heavy dominance of network & other non-local programming, especially 6-11 p.m. He said FCC should have asked for more data, that perhaps then he would have been able to vote for renewal.

Glare of lights for film at FCC oral argument on commercials last week didn't advance cause of broadcast access to courtroom coverage. With Comr. Loevinger wearing sun glasses, Comr. Bartley shielding eyes, one Commissioner commented to us: "The industry's case against Canon 35 [of American Bar Assn.] was lost right here as far as I'm concerned. How can coverage be unobtrusive with those lights." Some observers pointed out that live TV cameras would require less light.

License fees are effective Jan. 1, per schedule, FCC announced. Rep. Rogers (D-Tex.), who has sought to delay action, tells us he plans no further moves until Jan. In Chicago, 10 organizations joined in Dec. 6 petition to Court of Appeals there to review Commission decision, will seek injunction to block fees meanwhile; all are in aviation field.

President Johnson's statement to heads of regulatory agencies (Vol. 3:49 p1) is interpreted by newspaper columnist Charles Bartlett as warning not to regulate too much. He concludes: "A sharp struggle looms ahead between the passivists and the activists on the basic issue of regulation. Much will depend on the further manifestations of Mr. Johnson's viewpoint."

Interest in TV-radio was expressed by Curtis Publishing ("Saturday Evening Post", et al.) Pres. Matthew J. (Joe) Culligan in meeting with press last week. He said firm has open mind re acquisition of stations, CATV, pay TV.

WBFM (FM) N. Y. has been sold to WPIX (TV) for $400,000 by Muzak. WPIX is owned by "Daily News," has no AM affiliation.

Split between telecasters & TV set makers was fairly clearcut in their comments on FCC's proposal to make vhf stations' visual-aural power ratio same as uhf's—aural to range between 10% & 70% of visual. ABC favored FCC plan, as did most of half dozen stations commenting individually. WRDW-TV Augusta, Ga. asked for 30-50% range. Telecasters cited prospective savings in aural transmitter costs, tube & power outlays. Set makers were very concerned. RCA urged straight 20% for both vhf & uhf, said there'd be little saving in transmitter costs because of need to make & stock so many variations. Admiral & Motorola urged delay until more tests are made. Emerson said move would sacrifice set performance and/or increase cost. Philco urged 20-30% range—with 30% maximum in any event. Zenith called for retention of 50-70% for vhf, recommended uhf change back to same. Virtually all manufacturers were concerned about loss of service in fringe areas, increased cost of set production to cover ratio variations. Engineering firm of A. Earl Cullum plumped for fixed ratio, perhaps 10%—but said more experience is needed; firm doubts FCC proposal will produce cheaper transmitters because of manufacturers' need to build many variations, stock wide range of components.

FCC has no business moving against stations on "double billing" charges. So said Washington communications attorney Thomas H. Wall, in N. Y. forum on govt. in broadcasting last week, sponsored by International Radio & TV Society. "In my opinion, FCC has been looking for a good case and apparently thinks it has one now," he said, referring to Commission's moves against 2 radio stations (Vol. 3:49 p5). "The FCC hopes to make some new law here. It doesn't belong in this." Other participants in panel commented on regulatory outlook under Johnson administration. Former FTC Chmn. Earl Kintner, now a Washington attorney: "Basically Johnson believes in private enterprise and competition in the marketplace [but] a deeply-rooted attitude has grown up that govt. regulation is a way of life. The best way to combat this is with industry self-regulatory programs." NAB Exec. Vp Vincent Wasilewski: "Before any change is noticeable it will be a while, and when it comes it will be by osmosis rather than by direct action."

Liston-Clay championship fight Feb. 25 will be "biggest attraction in closed-circuit history," TNT Pres. Nathan L. Halpern predicted at week's end after his firm walked away with closed-circuit rights to bout from Miami Beach. Halpern said goal was to present bout to paying theater audience of record one million spectators. Eidophor projection equipment will be used extensively for first time to present a prize fight. Financial arrangements for closed-circuit rights weren't disclosed.

While U. S. pro football clubs are debating pros & cons of showing games on closed-circuit TV (Vol. 3:43 p2), Montreal Alouettes football club has purchased its own Eidophor projection system from TNT and installed it in Montreal's new Place Des Arts to televise games to paying audience.

CP for uhf WONE-TV (Ch. 22) Dayton (off air) transfers to WWLP (Ch. 22) Springfield, Mass., approved by FCC.

Rep changes: WFTV Orlando, from Adam Young to Blair BTA Div.; KKTV Colorado Springs, from Venard, Torbet & McConnell to Avery-Knodel.

Personals

Sam J. Slate, ex-vp & gen. mgr., radio WCBS N. Y., appointed exec. vp, RKO General Bcstg., succeeded by **Ralph W. Goshen**, sales mgr. . . **Michael Joseph**, radio program consultant, elected NBC Owned Radio Stations vp.

Thomas S. Murphy, Capital Cities Bcstg. exec. vp, elected chmn., CBS-TV Affiliate Assn.; **Carl Lee**, WKZO-TV Kalamazoo vp & gen. mgr., elected secy.

John MacVane, ABC News UN correspondent, elected UN Correspondents Assn. pres. . . **Richard D. Dudley**, radio WSAU Wausau, elected to NAB Radio Board, succeeding late **George T. Frechette**, WFHR Wisconsin Rapids.

Homer Lane, KOOL-TV-AM Phoenix, elected pres., Arizona Bcstrs. Assn. . . **Edward Carroll**, ex-Ted Bates film production dept., appointed gen. mgr., KCTO-TV Denver.

Henry P. Hayes, ex-NBC Recording Div., elected TvB asst. secy.-treas. . . **Morris J. Levin**, ex-staff counsel, Senate Commerce Committee, joins Roberts & McInnis, Washington law firm.

Louis B. Ames, ex-cultural programming dir., N. Y. World's Fair, named programs mgr., RCA's Fair operations, to develop color shows. . . **Harry Moses**, ex-advertising & promotion dir., WTTG Washington, named station promotion & services dir., Metro TV Sales, N. Y.

Jacques Biraben, radio WOR N. Y. vp of sales, promoted to vp & sales dir., WOR-TV-AM, succeeding **Burt Lambert**, appointed vp & sales planning dir. . . **David E. Henderson**, ex-TvAR senior account exec., named asst. sales mgr., WBZ-TV Boston, succeeding **Chet Zaneski**, who joins TvAR Chicago office. . . **Bruce Hayward** promoted to public affairs dir., KTVI St. Louis.

Dorman D. Israel, Emerson exec. vp, elected chmn. of Committee No. 1 (technical) of FCC-sponsored CAB (uhf development group), succeeding Adler Electronics' **Ben Adler**, who begged off because of heavy commitments following sale to Litton.

Encyclopaedia Britannica presented Peace Corps with $75,000 worth of educational film strips for overseas teaching, presentation made in Washington by former FCC Chmn. Newton Minow, EB exec. vp. In addition, EB will publish this spring "Tribute to John F. Kennedy," edited by Presidential press secretary Pierre Salinger & NBC White House correspondent Sander Vanocur.

Audlok system designed to perfect synchronization of remote TV originations has been developed by NBC, used on "Huntley-Brinkley Report" since Sept. 9. NBC says system can control timing of remote pictures to arrive at originating city in same time phase and can be switched to or dissolved to without roll-over or tear.

Procedures for applications for towers which might be air hazards—pending possible FAA & FCC changes—are outlined by FCC in public notice, Mimeo. 44605, available from Commission, or we'll get you copy.

Revised FCC rules & regulations for TV-radio, published in Dec. 14 issue of "Federal Register", available for 30¢ from Govt. Printing Office, Washington.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington, D.C. 20006
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager
RUDOLPH SAPPER, Circulation Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
TWX: 212-640-6938
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

When color era comes to CBS, its o&o stations will be ready with plenty of color feature films in their libraries. Latest acquisition is 7-year deal for 215 post-1950 Universal features from 7 Arts Productions, of which 109 are available in color. Under terms of agreement, understood to involve about $15 million, color rights are included—meaning stations can book color prints of these films any time they choose. Involved in CBS purchase are WCBS-TV N. Y., WBBM-TV Chicago, WCAU-TV Philadelphia & KMOX-TV St. Louis. One industry source speculated that WCBS-TV now has about 3,000 features available, of which probably 1,000 can be shown in color.

HEW approved 5 matching-fund ETV construction grants, totaling $693,342: Duluth-Superior Area ETV Corp., $212,625 to activate Ch. 8; Delta College District, $183,920 to start Ch. 19 Bay City, Mich.; U. of Georgia, $136,109 to expand Ch. 8 Athens; School District of Kansas City, $102,000 to expand Ch. 19; School District No. 1, Denver, $58,688 to expand Ch. 6. So far, HEW has made 10 grants totalling $1,552,294. Two new applications have been received: Board of Public Instruction, Dade County, Fla., $71,606 to expand Ch. 2 & 17 Miami; Eastern New Mexico U., $279,266 to start Ch. 3 Portales.

Three new TV tape machines, including playback-only & "transportable" unit, were announced at week's end by RCA. First playback-only machine is compact (22 x 22-in. square, 68-in. high), is compatible with all broadcast recorders. Transportable recorder can be carried in station wagon; third unit is "compact" recorder. Prices & availability dates weren't announced.

National & regional spot TV increased in 3rd quarter 23.1% over last year's period—$185,330,000 compared with $151,922,000. Tobacco products & supplies increased 73% to $8,644,000 from $4,990,000. Automotive was up 41% to $7,583,000 from $5,375,000.

"Sponsor" magazine has been bought by Ojibway Press, publisher of trade magazines outside TV-radio field, principal stockholder Norman Glenn to remain. Ojibway has hq in Duluth; Marshall Reinig is pres.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

INDUSTRY'S OWN TV PREDICTIONS FOR '64: TV set manufacturers believe 1964 will see increase of perhaps 35% in color sales, decline of 8-10% in b&w, 60% rise in TV imports. They feel b&w mix will continue trend toward portables & table models and away from consoles, that tinyvision business will increase, and that all-channel law will affect sales next fall—but not too sharply.

These are results of our survey of 19 TV manufacturers on outlook for 1964. Questionnaire replies were received from 11, and forecasts are surprisingly optimistic, considering uncertainties of all-channel law and other unknowns facing industry in 1964. Optimism, in fact, is higher than in our similar survey last year, when even most optimistic prediction for total 1963 TV sales turned out to be far short of actual sales results for this year (Vol. 2:46 p8).

Here are highlights of results of TV survey (radio-phono results will be reported next week):

Total distributor-to-dealer TV sales: Median estimate for '64 was 7.5 million sets (compared with anticipated 7.6-7.9 million for 1963). Although estimates varied from 6.8 to 8.5 million, most were quite close to 7.5-million figure, 7 of the 11 forecasts falling between 7.25 & 7.7 million. Last year's median forecast was 6.7 million; highest was 7.2 million.

Color TV sales: Median forecast for 1964 was just slightly on high side of 1 million sets. Near-unanimity was striking—9 of the 11 manufacturers forecast color sales of 1 million or more. Forecasts ranged from low of 900,000 to high of 2.5 million. These forecasts represent interesting raising-of-sights from predictions of just few months ago. Last year's median color sales forecast for 1963 was 550,000.

Black-&-white TV sales: Median prediction was 6.5 million sets for 1964, although this category showed widest variations—ranging from 4.5 to 7.4 million. However, 5 of the 11 manufacturers placed their forecasts between 6.4 & 6.8 million. Last year's median forecast of b&w sales for 1963 turned out to be way low—6.1 million.

Changes in b&w TV mix: Feeling that portables & table models will continue to increase share of b&w market was almost unanimous—but not quite. Nine manufacturers felt this trend would be maintained or accelerate; 2 thought proportions would level off at present mix. It should be noted here that some manufacturers included tinyvision in portable category and others didn't. Some expressed opinion that combinations' share of market would begin decline in '64.

Where does tinyvision go from here? Most manufacturers were cautious in their comments—not wanting to tip their hands on their own plans—but it was clear that there's feeling this market is here to stay and will grow next year. Those who did give estimates of wee-TV sales placed them in 500,000-660,000 range.

All-channel law: Although slight majority said they thought new legislation would affect sales, none expressed opinion that effect would be sharp, severe or devastating. Six respondents indicated it would have "some" or "little" effect, 2 felt it wouldn't affect market and 3 didn't comment either way. Those commenting on price increases generally thought uhf tuners would add 15-20% to list prices. Several expressed hope that Congress would repeal excise tax on all-channel sets.

TV set imports: At time we mailed questionnaire, we thought TV imports would reach 500,000 this year, and made this assumption in our letter. Now it appears they will be somewhat lower (see 10-month figures on p. 9). We don't know how this assumption affected replies—but of 10 manufacturers commenting on situation, only one thought TV imports would decrease next year. Of those predicting increases, median figure given was 800,000. Estimates ranged from 535,000 to 850,000, and 4 respondents chose 800,000 figure.

Replies to TV section of our questionnaire are digested on p. 10. Deletions have been made in all cases where portions of individual replies were marked confidential.

STRAIGHT TALK FROM BOB GALVIN: Prospects for Motorola's 23-in. rectangular color tube are better, but "I cannot say we have it made... We still don't know whether we have a consistently reproducible tube."

This was Motorola Pres. Robert W. Galvin's frank comment on Topic A last week in his talk to N. Y. Society of Security Analysts. Large part of his off-the-cuff speech, and question period later, centered around prospects for new color tube, being developed at National Video plant under Motorola auspices. Here are highlights:

"We have re-established our production line, and are now running a considerable number of tubes. The yield has been substantially improved. If all goes well, we will have a 23-in. color set on the market in the first & 2nd quarter of next year. The tube is either going to be a success or a failure—there's no half way. We hope to be delivering by tens of thousands next year. Otherwise, we'll have none at all." Rectangular-tube color sets are now being built, but for testing only.

He shed some light on Motorola's relationship with National Video. "We just agreed to agree," he said. "They invested hundreds of thousands in the program, and we have spent some millions." Its tube investment will be returned to Motorola out of price of color tubes sold by National Video to Motorola and to other set manufacturers.

In comments after his talk, Galvin conceded that failure to deliver 23-in. color set on time had "hurt our over-all TV business with dealers." However, he added, "the consequences have not been serious. We had a good black-&-white year." Profit margins on b&w sets were good in portable, table & console models—"and we see them continuing good." He said Motorola had been able to maintain prices reasonably well.

He voiced long-standing Motorola color-tube complaint that it's not getting as many 21-in. tubes as it feels it should. In answer to question, he said: "We received less 21-in. tubes as a function of the fact that we were developing our own tube. The preference was given to others who don't have another source. The same reason is being given to other manufacturers who have alternate sources of [color tube] supply."

He predicted 1964 color sales of 1 million (but later said it could be anywhere from 900,000 to 1.3 million), b&w 6.6 million—vs. 600,000 color & 7.3 million b&w this year. He saw radio sales declining to 9.5 million in '64 from this year's 10,080,000.

He was pessimistic about stereo's immediate future. "Stereo is qualitatively in trouble," he said. "Inventories are under control, but the market has not responded." He predicted no growth next year, adding that the market may have reached saturation point, with only "slow growth & replacement" in prospect for future. From an estimated 4,880,000 phono sales this year, he projected decline to 4,780,000 in 1964.

For Galvin's comments & predictions on Motorola's financial results, see p. 11.

* * * *

Another consumer electronics executive spoke out on color & stereo last week. Sylvania Home & Commercial Electronics Div. Sr. Vp-Gen. Mgr. George C. Connor predicted factory sales of 1.5-1.6 million color sets in 1964, although he declined to estimate dealer sales. He made his comments at informal news conference after official opening of Sylvania's N. Y. showroom (3rd Ave. & 45th St.).

Color's biggest need, he said, is greater brightness—but he held out little hope for this improvement in near future. He forecast that color tube shortage would continue at least another year, with further bottleneck coming in 1965 during period of changeover to 25-in. rectangular tube.

As to tinyvision—"I think the 11-in. is here to stay, but we have no immediate plans to bring one out." He said he couldn't predict effect of all-channel law on set sales, but saw price differential declining from nearly $20 to about $15 as tuner costs go down. Turning to stereo, he called transistorization "electronically the equivalent of putting more chrome on a car." Sylvania, he said, is going slow on transistorization until it has more data on reliability."

* * * *

RCA likes to have last word on color—and at week's end it put out statement detailing happy prosperity of its consumer products operation in 1963. Year-end wrap-up by RCA Sales Corp. Pres. Raymond W. Saxon made these points:

RCA's TV dollar volume was highest in history in both dollar & unit sales, both color & b&w. Color distributor unit sales are running 59% ahead, b&w sales 10% ahead of year ago. Dollar volume for all RCA Victor home entertainment products in year's first 11 months is already more than 15% above previous full-year record, set in 1962. Saxon observed that TV is now beginning to follow radio's trend to "a set-for-every-room business."

RCA's radio-Victrola products were up 36.3% in dollar sales in Oct. from year-before pace, Saxon said. "The lower price direction of the radio industry has been compensated by a strong improvement in or toward higher-priced console phonograph sales."

TV-RADIO PRODUCTION: EIA statistics for week ended Dec. 6 (49th week of 1963) excluding 11-in. and smaller:

	Nov. 30-Dec. 6	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV...	114,333	114,976	121,141	6,668,276	6,165,400
Total radio	388,950	327,898	380,100	17,395,809	18,200,965
Auto radio.....	174,022	167,475	178,182	7,574,083	6,753,992

TOPICS & TRENDS

Japanese TV exports to U.S. for first 10 months of 1963 totaled 366,285 sets, more than 3-1/2 times the 103,474 shipped during same 1962 period, and slightly more than 6% of domestic U.S. b&w set production during same period. Shipments in Oct. totaled 49,196, about triple Oct. 1962's 16,575, but indicating some tapering-off from the record 62,630 shipped in Sept. 1963.

Shipments of transistor radios (3 or more transistors) from Japan to U.S. for first 10 months of this year totaled 7,101,697, up from 6,321,616 in same 1962 period, with 1,105,139 shipped in Oct., compared to 989,379 in Oct. 1962. Other radio categories were down from 1962 in Oct. & year-to-date: Tube radios, 120,609 in Oct. (vs. 162,325 in Oct. 1962), and 959,481 for 10-month period (vs. 1,364,714); "toy" radios, 154,320 in Oct. (vs. 217,363) and 1,678,347 in 10 months (vs. 2,326,892).

Raytheon will close N. Windham, Mass. tube plant, cut production & employment at Quincy, Mass. plant. "Operating losses from the company's receiving tube business have been substantial," Pres. Charles F. Adams explained, "and without the consolidation would become increasingly so. Under the circumstances the necessity of the move is clearly indicated even though the costs involved will be substantial." He estimated consolidation will reduce annual net income by some $2.8 million (70¢ a share) after tax credits. Raytheon earnings dropped below $5 million from $7.8 million in 1963's first 9 months as sales fell to $364.4 million from $440.9 million (Vol. 3:41 p12). Production of tubes for home electronics and commercial use will be transferred to Raytheon's Newton, Mass. plant. Quincy will continue production of storage tubes, cathode ray tubes & circuit modules. Decision to consolidate tube production, Adams emphasized, resulted from industry's overcapacity, rising imports, and resultant price reductions.

Two questions were answered by Philco last week: (1) How long will it be before the Ford subsidiary re-enters car radio business? (2) What will it do with excess capacity in its Lansdale plant, which recently discontinued transistor manufacture? Company announced it will produce auto radios there to supply undisclosed portion of Ford's 1965-model year requirements. Lansdale Div. Vp-Gen. Mgr. Michael W. Newell said Philco's new car radio design is being offered to other auto makers.

GE will become sole supplier of receiving tubes to Astrex Inc., which operates self-service tube-checking & sales machines, Astrex announced last week. Agreement provides for 5 million tubes yearly at cost of about $5 million (retail value about $15 million). Astrex formerly bought tubes from several manufacturers, once was distributor for Du Mont-branded tubes.

INDUSTRY'S TV FORECASTS: Here's what individual manufacturers think 1964 holds in store for TV market. These are digests of replies to our survey (see summary on p. 7), from which confidential portions have been deleted. Sales quoted are distributor-to-dealer.

Admiral Vp Ross D. Siragusa Jr.: B&w TV sales of 7.4 million (including more than 500,000 sets 11-in. & smaller), color 1-1.1 million. Portable-table model movement may increase somewhat, consoles slipping slightly, combinations holding about same. All-channel should add about $15-$20 at retail. TV imports may reach 800,000.

Emerson Pres. Benjamin Abrams: B&w sales 6.5 million, color about 1.2 million, with this b&w breakdown: 500,000 tinyvision (11-in. & smaller), 4 million portable & table model, 2 million console & combo. All-channel law will add $20 per unit to retail prices but "will have no material effect on sales." TV imports may be lower than in 1963.

GE: All-channel law will result in $20-per-set price differential and will depress sales somewhat. Radio & TV Div. Vp-Gen. Mgr. Hershner Cross said in separate statement that business this year was "excellent," and "we look forward to a continuation of good business generally on a par with, or slightly above, this year."

Motorola: Pres. Robert W. Galvin estimates sales of 7.6 million sets, including nearly 1 million (or 13% of total) color sets. Motorola Consumer Products Inc. Pres. Edward R. Taylor estimates consoles will shrink slightly to possibly 21% of b&w market or about 1.4 million sets; portable & table model sales running about 4.9 million or nearly 75% of total; combinations slipping to about 300,000 or 4.5%. The 19-in. size will possibly represent little less than 50% of total b&w sales, due to rise in under-19-in. category. He believes "b&w sales will stumble somewhat due to the all-channel law & higher prices."

Packard Bell Pres. Robert S. Bell: B&w sales more than 6 million, color 1.25-1.6 million, only limit being availability of picture tubes. B&w product mix "will change considerably in that tinyvision will be approximately 11% of the market, up from its current 8% position, portable & table-model TV will go to 69% from an estimated current 61%, console & combinations will represent approximately 20%, down from their current 31% position." All-channel law will increase prices from "at least 9% on the lowest-priced models to a significant increase at the high end." He's "somewhat hopeful" that excise tax law will be amended. Imports will probably be in 750,000 range.

Philco Consumer Products Div. Vp-Gen. Mgr. Larry H. Hyde: B&w sales 6.4 million, color 915,000. Anticipates consoles & combinations will decline from present 30.3% of product mix to 26%, portables increasing from 61.7% in 1963 to 68% in 1964, table models dropping from 8% to 6%. Breakdown of portable category (in terms of percentage of total b&w sets): 11-in. & under going from present 3.5% to 10%, 16-in. dropping from 7.5% to 6%, and 19-in. rising from 50.7% to 52%. All-channel law will bring "slight increase in price and a somewhat slower 3rd quarter in sales." Imports will rise from 425,000 sets this year to 550,000 next year.

RCA Sales Corp. Pres. Raymond W. Saxon: B&w sales 6.15 million, "color conservatively accounting for 1.2 million sets"—higher if enough pictures tubes are available. Portables will increase their share of b&w market—to approximately 72%—but "RCA will increase its console & combination sales over our 1963 total." Public will establish "more of an 'either-or' preference"—either buying a lower-priced portable or a furniture-styled console or combination. "It's still too early to speak knowledgeably about the effect of the all-channel law... Definitely higher prices." Imports of about 800,000 units.

Setchell-Carlson Pres. B. T. Setchell: B&w TV sales 4.5 million, color 2.5 million. Projects 15% increase in sales of tinyvision, 10% in 19-in. portables & table models, with consoles & combos declining about 18%. "We believe the all-channel law will slow sales of TV receivers [for] 3 months, and then regain strength by Sept." If excise tax is eliminated on all-channel sets, "we expect a marked increase in sales during June & July." TV imports may be expected to increase 7% "due to the increasing popularity of small TV receivers and more realistic pricing."

Sylvania Home & Commercial Electronics Pres. Robert J. Theis: B&w sales 6.8 million (including 500,000 tinyvision, up from 250,000 this year), color 1.2 million (up from 800,000). B&w mix will shift from this year's 68% portable-table & 32% console to 72% portable-table, 28% console, fall-off of about 400,000 consoles due to increased interest in color. "B&w combinations will be under pressure, [but] don't count them out, particularly under $550." All-channel law will cause dealer hesitancy to purchase large quantities, and search "for the least uhf penalty cost in the early stages of the game." But no sizeable reduction in cost is probable in near future. Small savings are possible with heavy production. Dealer "jockeying" in early fall will cause "short-range problem," but eventually dealers will "move on to promote this new feature to the public." Imports will be 800,000 units, figure being held down because more U.S. manufacturers will have U.S. models.

Wells-Gardner Vp-Sales Mgr. Allan Gardner: B&w sales 5.8 million, color 1 million. Expects b&w consoles to decrease 5%, tinyvision rising 5%, portable, table & combinations holding steady. All-channel law "will add $15 or less to TV price, but will not materially affect sales." Imports will total 800,000 units.

Zenith Vp-Operations Mgr. Clifford J. Hunt: B&w sales 6.5 million, color 1 million. No change in b&w mix, which should level off at present going rates for each category. All-channel law will "retard sales in vhf markets." Imports will rise to 850,000 sets.

Expanding picture-tube lines, Westinghouse last week announced it can now supply PPG-type bonded tubes. Earlier, it had announced availability of complete line of 16-in. 114° tubes in any combination of heater ratings, high or low drive, in "heavy" version or Kimcode or PPG type.

Emerson's 22 millionth home instrument—a 16-in. portable TV—has rolled off line. Set & commemorative plaque were presented to Pres. Benjamin Abrams by personnel of Jersey City, N.J. plant.

In Canada, too: One 11-in. set is sold in Canada "every minute of each working hour," according to Canadian Admiral Pres. Stuart D. Brownlee.

MORE WINTER DROP-INS: New sets unveiled last week by Admiral, GE, Motorola & Sylvania showed usual winter tendency to fill gaps in lines, and to concentrate on more value, with some slightly lower prices. In alphabetical order:

Admiral showed 4 new color sets, including complete combo at $795—$100 below previous low color combo. Other new color sets are $499.95, $509.95, $559.95. New Admiral b&w TVs are four 19-in. portables beginning at $139.95, with high end (open list) featuring 10-hour timer. Eleven new 23-in. sets start with "portable" at $169.95, grained consoles starting at $199.95, topped by open-list combo. Most color sets & b&w consoles are available with wireless remote for $30 extra.

Admiral also introduced 3 solid-state stereo consoles (open list), 3 conventional consoles starting at $179.95 & 3 stereo portables, beginning with tilt-out at $69.95—$10 less than previous tilt-out stereo leader. Also new is compact thin portable phono with changer & AM radio at $59.95.

GE's 11-in. drop-ins, reported last week (Vol. 3:49 p9), are listed as $119.95 & $134.95 with "vhf-only versions $20 lower." New 19-in. portables including roll-around stands are $149.95 & $159.95 (uhf $25 extra); 23-in. console is $199.95 (uhf $25 extra).

Motorola has changed some chassis, introduced new styling, adding 2 portables, 4 "compacts," three 23-in. table models, 4 consoles. Leader 19-in. portable is unchanged at $139.88, but has more deluxe cabinet features. Compact 19-in. line starts at $159.95, with redesigned chassis & cabinet in 3 step-ups at $169.95-$189.95. Latter set has wood-grained vinyl-clad cabinet. New 23-in. tables start at $169.95, and step-ups include swivel & caster models.

New Motorola radios offer more choices at low prices (starting at $14.95), in some cases feature-price reduction. Lowest-priced wood-cabinet FM-AM is now $64.95 vs. $79.95 starting-point last summer; leader FM-AM clock radio is $10 below previous starter, at $59.95. Clock radios, starting at $19.95, all have full-feature clocks.

Motorola also introduced line of FM-AM auto radios at $139.95, continuing previous FM-only & FM-tuner models. Company predicts 42% gain in FM car radio sales in 1964 on top of 133% increase this year.

Sylvania introduced 8 new TVs, including portable at $139.95 & new version of its portable which accommodates accessory clock ($9.95 extra) at $149.95—$10 below similar set introduced last June. Two 23-in. table models were introduced at $169.95 & $179.95, along with series of metal consolettes at $189.95-$209.95, 3 consoles at $199.95 & $249.95, including popular white finish. French Provincial stereo was added at $329.95-$369.95.

Added to RCA introductions reported last week are new lower-priced tilt-down mono portable phono at $24.95 and 4 stereos with FM stereo at $299.95-$350.

BATTLE OF LOUISVILLE—CONT'D.: Louisville retailers have won 2nd & more significant victory in their fight to force discount competition to obey state law & remain closed on Sun. (Vol. 3:49 p10). Court of Appeals, Kentucky's highest court, on Dec. 6 refused to disallow temporary injunction against 9 discount stores granted a week earlier by Chancery Court. Case will now be tried to determine if permanent injunction should be imposed.

"Whatever happens next, these old-line retailers have gained their initial objective and have won the short-range victory," James Thornberry, attorney for discount defendants, told us. "The Court will be unable to hear the case before the end of the year, and probably not before early February. This means that we have lost the Christmas business. We may yet win the final battle but we've lost the war for Christmas."

He noted that many other types of stores continue to "remain open all over Louisville on Sunday," said "this latest court decision could lead to other suits by other groups against other stores."

Defendants last week initiated action to have bond posted by Retail Merchants Assn. of Louisville boosted to $100,000 from $5,000. Bond was posted by order of Chancery Court to provide funds to reimburse discounters for losses sustained by closing Sun.—in event temporary injunction was disallowed or permanent injunction is refused by higher court.

Since state law decrees no work on Sun., we asked Thornberry how discounters could expect to collect damages for lost business if their being open for business Sun. violates law. "This is a civil case, not a criminal case," he explained. "If we do win it eventually, I believe my clients have a good chance to collect damages for lost business. There are many stores that continue doing business in Louisville on Sunday despite the state law."

* * * *

Court permission to open Sun. despite closing law in St. Paul, Minn. has been obtained by Shoppers World, discount subsidiary of Aldens Inc., Chicago. Discounter got restraining order to bar city temporarily from enforcing its Sun. closing ordinance, instituted Feb. 1962. Court set Jan. 8, 1964 date for hearing on Shoppers World request for temporary injunction. Restraining order will enable discounter to open Sundays to that date.

MOTOROLA'S PROSPECTS: Although Motorola's financial results for 1963 have been hindered by substantial costs in color TV & semiconductors, next year should see higher sales & "important improvement" in earnings. So said Pres. Robert W. Galvin last week in talk to N. Y. Society of Security Analysts (see also p. 8).

For 4th quarter of this year, he said, sales were up more than 5%, for full year more than 8%, with some increase in earnings during both periods. Next year's first quarter should see substantial earnings improvement.

Motorola "is not on the march for diversification," he added, "Our responsibility is to digest what we have." Ticking off company's various operations, he gave this picture: Consumer products—1963 sales about same as last year; earnings good, but far below expectations; increases in both categories next year. Automotive products—volume & earnings excellent, prospects "fine" for 1964. Semiconductor—earned well in '63, but can do better in '64. Communications—good growth this year, more due in 1964. Military—was held to 15% of total sales this year, and will be next year; profitable both years. Solid state systems—probably won't show profit till 1965.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Collins Radio	1963—qtr. to Nov. 1	$ 66,356,000	—	$ 888,000	$0.40	2,230,080
	1962—qtr. to Oct. 31	55,628,000	—	883,000[1]	.40[1]	2,230,064
Lynch Corp. (Symphonic)	1963—9 mo. to Sept. 30	21,691,043	$ (158,299)	(108,317)	—	1,175,837
	1962—9 mo. to Sept. 30[2]	23,035,721	453,673	176,179	.15	1,175,873
Newark Electronics	1963—year to Aug. 31	22,462,388	—	135,261	.17	—
	1962—year to Aug. 31	22,384,646	—	77,809	.10	—
Transistor Electronics	1963—6 mo. to Oct. 31	1,754,593	—	218,254	1.12	—
	1962—6 mo. to Oct. 31	859,906	—	75,830	.65	—
United Artists	1963—9 mo. to Oct. 31	81,870,000	—	1,610,000	.87	—
	1962—9 mo. to Oct. 31	91,502,000	—	3,103,000	1.68	—
	1963—qtr. to Oct. 31	31,899,000	—	808,000	.43	—
	1962—qtr. to Oct. 31	29,436,000	—	1,100,000	.53	—

Notes: [1]Restated to reflect 1963 depreciation changes. [2]Restated to include Cox Instruments Corp., merged in 1963.

Trade Personals

Harold B. Avery, ex-GE Supply Co. Philadelphia radio-housewares district mgr., ex-Hotpoint & Capehart-Farnsworth, appointed radio & portable phono sales mgr., Philco Corp. Consumer Products Div., succeeding **Bruce Lambert**, now gen. mgr. of PDI-Philadelphia... **Fred W. Rombach** retires Feb. 1 after 25 years as mgr. of Philco's Watsontown (Pa.) cabinet plant; he's succeeded by **Robert R. Austin**, mgr. of Philco's Fairfield (Ia.) wringer washer plant; **J. N. McDowell**, mgr. of Philadelphia electronics plant, succeeds Austin in Fairfield.

Louis G. Pacent, Emerson vp in charge of mfg. subsidiaries & former engineering-mfg. vp of radio-TV div., elected exec. vp of Emerson's Quiet Kool Div.

Robert Kadets, ex-Sylvania & CBS Electronics, resigns as gen. mgr. of Admiral Sales Co.'s Philadelphia Div.

Benjamin Adler, Adler Electronics pres., elected a vp of parent Litton Industries.

Leonard Carduner, Avnet Electronics dir. since 1960, named vice chmn.; **Morton D. Weiner**, formerly assistant to pres., appointed a vp.

D. L. MacDonald, formerly Westinghouse Appliance Sales major appliances merchandise mgr., named to corporate general ad dept. to supervise merchandising plans for TV shows... **William A. Douglass** named WAS sales mgr., succeeded by **R. Frank Spangler** as Major Appliance Div. commercial products mgr.

Saul Decker, ex-Symphonic, Magnavox & Telechrome, appointed section head in CBS Labs' military & industrial systems dept.

John H. Trux, ex-Sales Communications Inc., joins Ampex Consumer & Educational Products Div. as mktg. mgr., a new post.

Obituaries

Arthur F. Vinson, 56, GE vp & group exec. of Industrial Group (including component products & industrial electronics), died Dec. 6 of heart ailment in New York's Waldorf-Astoria Hotel, prior to presiding at annual Congress of American Industry luncheon meeting. He lived at Scarsdale, N. Y., is survived by widow, son, daughter.

Howel H. Barnes Jr., 87, retired (1941) GE commercial vp, died Dec. 7 in New York Hospital after short illness. He joined GE in 1902, became commercial vp in 1931. No immediate survivors.

George Ehret Burghard, 68, radio industry pioneer, died Dec. 8 in New York's Lenox Hill Hospital of heart attack. He organized & was 1920-34 pres. of Continental Radio Corp., RCA distributor in N. Y., was 1921-25 pres. of Radio Club of America, participated in 1921 in one of earliest transatlantic short-wave broadcasts. Burghard was a founder and pres. since 1935 of Armstrong Memorial Research Foundation, named for friend & associate Edwin H. Armstrong. He is survived by stepdaughter, 2 brothers.

Litton Industries' board has approved plan to allow common share holders to exchange up to 4% of their holdings for new convertible preferred shares, on a share-for-share basis. Preferred shares will pay annual $3 cash dividend each, will be convertible to common at holder's option. In other action, board approved Litton's acquisition of Clifton Precision Products, Clifton Heights, Pa. electronics manufacturer. Pres. Roy L. Ash forecast sales & earnings in 2nd fiscal quarter ending Jan. 31 "will exceed first quarter results" of $6.5 million earned on $154 million sales (Vol. 3:47 p12). This will result in sharp gain over year-earlier's first-half results of $10.9 million earned on $261 million sales. Litton around Jan. 1 will begin moving into new corporate hq in Beverly Hills, Cal., in 2-story building once occupied & still owned by MCA.

WEEKLY **Television Digest**
with
Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

DECEMBER 23, 1963 NEW SERIES VOL. 3, No. 51

NAB LIBRARY

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

THE COLLINS STORY: 'Intense' desire to serve broadcasting; 'absolutely no plans' to run for office, but resents being asked to 'paint myself into a corner' (p. 1).

RATING COUNCIL PICKS DIR., INCORPORATES: It's understood former NAB research dir., Kenneth Baker, will head Council. Group incorporates following AAAA decision to join board. Top CPA-management firms await decision for audit job (p. 2).

SPORTS TOLLS WORRISOME BELL FOR TV: Industry watching NBC pay record rights of $13 million for NCAA games for 2 years; theater TV set for Chicago pro football; Subscription TV Inc. West Coast moves (p. 2).

CHANGES IN COMMERCIAL PRACTICES? NAB holds N. Y. meeting with networks, agencies, advertisers, describes it as 'fruitful.' Feb. meeting also planned. House Commerce Committee issues report on commercial bill; 8 dissenters favor FCC (p. 3).

NETWORK-FCC UHF CONFAB—no blockbusters uncovered. ABC asks share-the-wealth in 18 2-vhf markets—each network to get 12 vhfs, 6 uhfs (p. 4).

Consumer Electronics

TELCAN DEMONSTRATION raises questions about acceptability of recorded picture, speed & volume of tape; developers say they plan U. S. distribution by summer at around $150, with U. S. set maker as licensee, but have made no licensing agreement yet; home TV camera also planned at $150 (p. 7).

TOUGHER PHILCO FLEXES MUSCLES FOR '64 PUSH: Sets sights on 50% increase in consumer products sales in next two years, moves agressively to develop more complete product lines & to find more dealers to sell them. Ad budget up 50% to $7 million (pp. 8, 11).

RADIO-PHONO '64: Our industry survey shows no unanimity among manufacturers—predictions of increases exactly balanced by predictions of decreases; general agreement that tapering-off point in radio imports is near (p. 9). Digests of individual replies (p. 10).

3M TAPE CARTRIDGE recorder now in 600 retail outlets; future steps include lower-priced models, OEM version for 'packaged component' makers (p. 11).

NEW SETS include $399.95 color consolette by Emerson, 19-in. furniture-finish line by Philco, whose 16-in. TV is cut to $119.95 (p. 12).

THE GOV. COLLINS STORY: Efforts to force NAB Pres. Collins out of job are mounting again, as board meeting in Jan. approaches. Those who consider him too individualistic to run a trade association are redoubling drive to oust him by any means—to get him to run for senator or governor of native Fla., appointed ambassador, cabinet member, dogcatcher, anything.

Gov. Collins is unusual combination of sensitivity & thick hide. He says he has "intense interest in broadcasting" and wishes to continue to serve it. At same time, he resents being asked if he would never consider running for office. "I have absolutely no such plans," he says, "but I don't think anyone should ever be required to paint himself into a corner." Recently, he made speech in Columbia, S. C., devoting it to civil rights, asking Southerners to urge "the bloody-shirt waver to climb down off the buckboards of bigotry." Said he last week: "Some people say my speech means I'm running for office. Such a speech is scarcely the strategy for running for office in the South. It was something I felt deeply and believed I should say. I am not on the phone urging my friends to build up a campaign for me."

Collins was amused about reports that special "emergency" meeting of NAB exec. committee had been called for Jan. 6 to consider what to do about him. He said that he had set meeting date himself some time ago, that such a meeting is normal precedent to board meeting.

Foregoing doesn't diminish in slightest, however, fact that influential & sincere NAB members—regardless of their admiration of or revulsion against Collins as a citizen—believe that an NAB president's job is to insist that the industry is always right.

Copyright 1963 by Television Digest, Inc. Reproduction in any form, without written permission, prohibited.

RATING COUNCIL PICKS DIR., INCORPORATES: Rating Council is hurrying to meet commitment it made Harris Subcommittee—that it would be ready to roll by first of year:

(1) It's understood Council has picked Kenneth Baker, former NAB research dir., 1946-51, as exec. dir.; announcement may come this week. Baker was with TV stations on West Coast, recently showed up at Council & audit subcommittee meetings.

(2) Council filed papers of incorporation in Wilmington last week—AAAA finally agreeing to serve as full board member. Board will have 15 members: NAB, 5; AAAA, 2; one each from 4 networks; SRA, TvB, RAB, NAFMB. Assn. of National Advertisers wouldn't change mind, won't join board, will have associate status. RCI meeting is planned for Jan. 8.

(3) Standards covering minimum criteria & performance were received by raters last week. Standard that has created most interest is on ranges. Council states that single rating is best estimate, that a couple of pages in ratings report should be devoted to explaining "standard of error" using examples expressed in ranges. Other standards are pretty general—complete disclosure of methods, sample sizes, deviations; proper procedures for tabulating, editing, etc. One rating service said they're similar to FTC requirements.

(4) One thing Council won't have ready by Jan. is auditing firm in field. But here are the firms in running, we've learned: Price, Waterhouse; Ernst & Ernst; Arthur Young & Co.; Booz, Allen & Hamilton; Alexander Grant & Co.; Cresap, McCormick & Paget; Peat, Marwick, Mitchell & Co.; Arthur Anderson & Co.

In related development, RAB-NAB technical subcommittee met last week on upcoming radio methodology study. Meeting established "good working relationship," next session set for early Jan.

SPORTS TOLLS WORRISOME BELL FOR TV: TV's involvement with sports—and vice versa—has industry concerned over: (1) What it must pay for game rights and (2) Threats from pay TV, in its many forms. Items:

(1) NBC paid record $13,044,000 for 1964-65 rights to NCAA games, $2,844,000 more than CBS shelled out 2 years ago. Almost immediately, NBC announced sellout for first year—Gillette, Chrysler, General Cigar, Texaco will each sponsor a quarter. Most games in color. Those close to industry bidding insist profit can't be turned because rights came so high. It's tremendous testimony to power of sports as audience & prestige builder.

(2) Theater TV entered football picture for first time. National Football League will allow Dec. 29 championship game in Chicago to be theater telecast there same time NBC is carrying game on network, as we indicated (Vol. 3:43 p3). Chicago, of course, will be blacked out from free TV for 75 miles under NFL rules. NFL wished to do this last year in N. Y., but network contract didn't permit.

Theater Network TV will handle arrangements, prices will vary $4-$7.50, with potential audience of 25,500 in 3 locations. NFL Comr. Pete Rozelle said it would represent only minor part of gross. NBC has paid $926,000 for championship rights; CBS has telecast regular-season NFL games, paying $9.3 million for past 2 years. New contracts are up for grabs next month. Ante is expected to rise substantially—one reason being NCAA deal because NFL games show much higher ratings. NFL also will seek closed-circuit TV clause for regular games (theater and/or home TV) on individual team basis when home games are blacked out.

(3) Theater TV is set for Feb. 25 Liston-Clay championship fight, also with arrangements by TNT. No free TV here. As in past, theaters will be set up across country. New large-screen Eidophor will be used by TNT for both football & fight. About a million theater seats are planned, average price $5. If potential is realized, it will dwarf receipts for any fight in history.

(4) Subscription TV Inc., with some promise of becoming first pay-TV giant, ordered from RCA $1,233,000 in studio equipment for Los Angeles & San Francisco. RCA says delivery begins in 4 weeks, is largest equipment order ever from pay-TV firm. STV plans to pay-televise games of L. A. Dodgers & S. F. Giants next year over cables, equipment developed by Lear-Siegler, billing handled by Reuben Donnelly. Minimum audience of 20,000 is expected in each city at $1.50 per game.

Though company hasn't changed timetable for games, needed coaxial cables have yet to be strung.

Vp Robert F. MacLeod told us engineering studies are progressing but that plans have been disrupted because of General Telephone strike. Company will use electronic "interrogator" to send coded signal from set to hqs., telling when set is on. Equipment presently can handle 700,000 homes in 6 minutes, STV claims.

STV also is expected to negotiate with NFL & American Football League for individual pay-TV arrangements (Vol. 3:43 p2), as are other pay firms.

STV brought $117 million damage suit in Los Angeles district court against 5 motion picture theater assn.'s, 12 exhibiting chains, 3 individuals. It seeks triple damages, alleges that parties sought to deter public stock sale through ads & publicity, that they conspired to prevent STV from securing programming material.

California Crusade for Free TV, San Francisco, said suit is "without legal merit," plans petition to put question of pay TV to voter referendum next Nov.

Sports columnist Red Smith, commenting on theater TV phenomenon, said its potential is governed by the Gainford Law: When George Gainford, mgr. of Sugar Ray Robinson, was told of money-making possibilities of medium several years back, with hundreds of thousands of seats available, he commented—"Yeh? How many behinds gonna be in them seats?"

COMMERCIAL PRACTICES CHANGES IN WIND? NAB succeeded last week in bringing together networks, agencies, advertisers, for frank discussion of pressing commercial practices problems—determined that if self-regulation is to work both industry & ad community will have to yield a bit. NAB officials were quite pleased with tone of N.Y. meeting, described it as "very fruitful;" another is planned for Feb. Meanwhile, Pres. Collins will report to Sen. Pastore (D-R.I.), who says he's watching developments.

Problems explored: Multiple announcements. Clutter. Non-commercial announcements—show credits, billboards, IDs. Piggybacks. Content of commercials. In addition, Group W Pres. Donald McGannon, chmn. of NAB Research Committee, described progress in ratings picture.

Major area of concern, as seen by those close to Code, is multiple announcements—using 3-4 commercials in minute. As it now stands, even though practice isn't per se violation of Code, it contributes "to feeling of over-commercialization" by public. "Something has to be done," we're told, suggesting possibility of change in Code or new interpretation of standards. Another sore spot is "integrated" announcements of, say, two 30's back to back, used by one company to promote 2 separate products but considered as one announcement.

Among 2 dozen who attended: Collins, Bell, McGannon, Wasilewski, Helffrich, Quarton, Ferguson, Couric, McCollough, NAB; Alfred Schneider, ABC; Ernest Jahncke, NBC; Joseph Ream, CBS; John Crichton, AAAA; Peter Allport, ANA; Richard Pinkham, Ted Bates; Arthur Tatham, Tatham-Laird & AAAA chmn.; E.P. Genock, Eastman-Kodak; John Burgard, Brown & Williamson.

House Commerce Committee released report following approval of bill to prevent FCC from setting limits on length & frequency of commercials (Vol. 3:50 p4). As we indicated, Rep. Moss (D-Cal.) wasn't only member to vote against measure—there were 7 others.

Majority view is that FCC lacks authority, that never in 36 years has Commission seen fit to move into area. It quoted from 1932 Federal Radio Commission stand that additional legislation would be required for it to set such rules. Majority also cites 1940 Supreme Court decision (FCC v. Sanders) stating that broadcasters are not common carriers, that broadcasting is field of "free competition."

Majority states, surprisingly echoing Omaha report, that remedy lies in bringing about greater awareness by viewers & listeners of their rights, as well as improved communication between them & licensees. However, it adds that Commission judgment shouldn't be substituted for community opinion.

Minority believes Commission has authority "to adopt reasonable rules" on over-commercialization, for same reasons mentioned by FCC in legal memorandum (Vol. 3:49 p3). Dissenters also state that bill would create vacuum, by precluding FCC completely from setting rules without suggesting Congressional guidance. They also observed a "trend toward more & more commercialization."

Minority also criticized industry for its attacks without waiting to see what Commission decision was. At same time, it criticized FCC for not bringing together all facts and proposing rules tailored to those facts.

FCC plans for over-commercialization decision, disclosed exclusively in these pages (Vol. 3:50 p1), were deferred last week, will be taken up for action within next few weeks.

NETWORK-FCC UHF CONFAB—NO BLOCKBUSTERS: "How to help uhf" meeting called by FCC, drawing network spokesmen to Washington last week, produced just about what you'd expect.

Comrs. Lee & Cox headed FCC contingent, while ABC produced Julius Barnathan, CBS William Lodge, NBC David Adams—plus aides—highly qualified representatives all.

Commission wanted to know what could be done about getting more network programs to uhfs. Affiliate-shy ABC came up with proposal: In 18 major markets where it doesn't have full-time vhf affiliates, vhfs should be shared—each network getting 12 vhfs & 6 uhfs. FCC people talked about "time-sharing," too, but said they recognize problems involved.

Commission was brought up to date on industry practices, and staff members said they were pleased to learn that advertisers find it less expensive nowadays to extend lineups to more & more small stations.

FCC spokesmen ended up by saying they'd be asking for more information. All in all, nothing startling came of confab.

* * * *

Talk on uhf by rep Adam Young to PR men of United Jewish Appeal in recent N. Y. meeting visualized 1,000 new stations in 6 years. Young said: "I consider the major magazines comparable to the the major vhf TV stations and new uhf stations comparable to the specialty magazines." Young is vice chmn. of FCC-sponsored "CAB" uhf development group.

CAPSULES

"Meet the Networks" program of President Johnson last week—in which top men of each TV network lunched at White House on 3 successive days—reportedly was confined to discussion of national problems & news. No industry-govt. matters were brought up. NBC contingent, headed by Pres. Kintner, arrived Dec. 18; CBS, with Chmn. Paley & Pres. Stanton, Dec. 19; ABC, with Pres. Goldenson, Dec. 20. News chiefs of each, N. Y. & Washington, were on hand—Washington govt. relations vp's not in picture.

President Johnson hasn't made up mind on TV debates next year, told reporters: "I will make those decisions at the time I am the nominee and in the light of the circumstances existing then." He's been meeting informally with reporters, apparently hasn't decided on continuing live TV coverage of news conferences, initiated by President Kennedy: "We will do what comes naturally. Maybe it will be a meeting of this kind today; maybe a televised meeting tomorrow, with maybe a coffee session the next day. We don't want to be too rigid. We always want to be flexible."

"Carter Mountain" CATV case stands—U. S. Supreme Court refusing last week to review lower court's affirmation of FCC decision. Commission had ruled that it could deny microwave facilities designed to serve CATVs, if such service would endanger livelihood of TV stations (Vol. 3:21 p4).

Final decision rejecting vhf drop-ins, affirming recent vote (Vol. 3:46 p1), was adopted by FCC—text to be issued shortly. It's understood that Comr. Loevinger, who was crucial swing man in 4-3 decision, says in concurring decision that he would have voted for drop-ins if he had been in on original vote, that decision was very close one—but that he voted for status quo now to keep Commission from troublesome vacillation.

UPCOMING STATIONS: KTVS (Ch. 3) Sterling, Colo., planned as satellite by KFBC-TV Cheyenne, Wyo. has Jan. 1 programming target, reports William C. Grove, KFBC-TV gen. mgr. It will use RCA transmitter, 600-ft. Stainless tower. Resident mgr. & engineer haven't been appointed.

WMEM (Ch. 10 ETV) Presque Isle, Me. has changed programming target to Jan. 25, tests to Jan. 5, writes John W. Dunlop, gen. mgr. of WMEM & WMEB-TV Orono, Me., both U. of Maine stations. RCA Traveling Wave antenna has been installed on 55-ft. Stainless tower; RCA 25-kw transmitter arrived week of Dec. 2. WMEB-TV staff will also handle WMEM.

WITV (Ch. 7 ETV) Charleston, S. C. has changed targets to Jan. 15 for tests, Feb. 1 for programming, according to Charles S. Morris, technical dir. RCA 5-kw transmitter is scheduled for delivery before Jan. 1. Programs will originate in Columbia, duplicating most of those sent to S. C. ETV Commission's other station, WNTV Greenville.

KCOY-TV (Ch. 12) Santa Maria, Cal. still hopes to meet Feb. programming target, says James H. Ranger, gen. mgr. Work on transmitter house began week of Dec. 2, when GE 10-kw transmitter was delivered. GE antenna has been ordered for 146-ft. tower. Bob Williams, ex-KBAK-TV Bakersfield, will be operations mgr.; Ray Walker, ex-KERO-TV Bakersfield, chief engineer. Rep will be Venard, Torbet & McConnell. Base hour not set.

Transfer of 50.215% of KIRO-TV Seattle to Wasatch Radio & TV Co. (Mormon Church) from Saul Haas for $5,095,500 has been approved by FCC. This raises Wasatch holdings in KIRO-TV-AM-FM to 90.5%. Mormon Church also owns control of KSL-TV & KSL Salt Lake City, operates ETV KBYU-TV Provo, Utah, has minority interest in 2 Ida. TV-AM stations.

CATV prospects in Canada remain vague, with report that new Canadian Home & Theatre Vision Ltd. plans 200 systems, backed by $12 million in U. S. & British capital (Vol. 3:50 p3). We spoke to Leslie A. Allen, pres. of Atlas Telefilms Ltd., Toronto, whose name was attributed to announcement. He said: "We have a lot of competition" and therefore wouldn't comment.

ETV program tapes compatible with Ampex Videotape recorder are available for ETV stations & closed circuit systems from Midwest Program for Airborne TV Instruction, West Lafayette, Ind., & Great Plains Regional Instructional TV Library, Lincoln, Neb.

NAB's "Future of TV" committee, under Dwight Martin, meets in New Orleans Jan. 6 to discuss latest pay-TV, CATV, theater-TV and related developments—some of which are mushrooming to worrisome proportions.

Comments on FCC uhf plan will be accepted until Feb. 3, extended from Jan. 3 at request of National Assn. of Educational Bcstrs. which submitted alternative plan, claiming it's more efficient (Vol. 3:45 p4).

High vs. low vhf field strength measurements are subject of FCC research report (R-6305) now available from FCC Research Div.

FTC charged 3 toy companies with deceptive TV advertising: (1) American Doll & Toy Corp. for Dick Tracy 2-Way Wrist Radio, which FTC says won't receive ham, distress or ship-to-shore signals. (2) Rainbow Crafts Inc. for Forge Press package which, says FTC, doesn't contain everything claimed. (3) Emenee Industries Inc. for Electronic Rifle Range, charged with not having "adjustable telescope-like sight."

Radio KRLA Pasadena, Cal., 50-kw outlet ordered off air by FCC for misrepresentations, etc., has been given until Jan. 27 to submit unusual application. Owners propose to transfer station to ETV group so that profits can support proposed uhf ETV station—if principals get some $300,000 owed them by station & if new owners lease quarters from them for some $90,000 a year. Station reportedly earns about $300,000 a year.

Columnist Art Buchwald heard about League Against Obnoxious TV Commercials, decided to form "counter-group" called League For Obnoxious TV Commercials: "Our forefathers, when they wrote the Constitution, certainly had commercials in mind in writing that everyone was entitled to life, liberty and the pursuit of happiness. If it weren't for TV commercials, no one in this country would know how to achieve these goals."

CBS was honored by N. Y.'s Avenue of the Americas Assn. for "a sense of civic pride and responsibility" in making construction of its new skyscraper less burdensome to public—keeping construction shanties off streets, use of new heavy tower crane, plus attractive photo display at sidewalk fence.

Attempt to block FCC license fees, which are due to start Jan. 1, filed in U. S. 7th Circuit Court of Appeals in Chicago (Vol. 3:50 p5), has been joined by NAB in petition to intervene. Next move is court action on petition to stay Commission action pending final decision on merits.

Five-year probation was sentence handed disc jockey Charlie Walker, after being found guilty of obscenity in famous WDKD Kingstree, S. C. case, in which FCC decided to deny license renewal. Walker conviction was first such in history of U. S. broadcasting.

FCC's proposed TV program form has been issued as anticipated (Vol. 3:20 p5), subject to oral conference Feb. 13. Full text of proposal is Public Notice 63-1163 available from Commission, or we'll be pleased to send you copy.

No TV for Jack Ruby trial in Dallas, Judge Joe B. Brown ruled. He also excluded radio and still photos. "Due process... and decorum will be maintained," he said.

Hartford's pay-TV operation taped performance of new off-Broadway musical "The Streets of New York" for showing this month, said to be first musical on pay TV, cost to subscribers about $2.

FCC & FTC 1964 appropriations were approved by President Johnson last week: $15.6 million for FCC; $12,214,750 for FTC.

"Open Mind" NBC-TV interview has been taped by FCC Chmn. Henry, date of telecast not yet indicated.

Personals

Fred L. Nettere appointed ABC-TV Spot Sales gen. sales mgr... **Robert L. Hosking** named radio WCBS N. Y. gen. sales mgr.

Arthur H. McCoy, Blair Radio pres., elected pres. of John Blair & Co., succeeding **John Blair**, chmn. & chief exec. officer; **Tom Harrison**, vp in charge, Blair Radio, Chicago, succeeds McCoy; **Stuart Cochran** replaces Harrison, was his asst.

Robert J. Burton elected BMI pres., succeeding **Carl Haverlin**, retiring... **Jerry Madden**, dir. of NBC TeleSales & Unit Managers, promoted to special news projects dir.

FCC Comrs. Cox & Loevinger will take part in Georgia Assn. of Bcstrs.' annual Radio-TV Institute, Jan. 21-23.

John F. Meagher, NAB radio vp, resigns after almost 10 years of service to become consultant, Pres. Collins commending him for many contributions, successor not yet indicated.

James S. Gates, KTTV Los Angeles exec. producer, promoted to program dir... **Richard Norsworthy**, ex-WBAL-TV Baltimore, named promotion & advertising dir., WTTG Washington... **Inez Pedroza**, actress & writer, appointed public affairs coordinator, KMEX-TV Los Angeles.

John C. Butler, radio mgr., Peters, Griffin, Woodward, Dallas, promoted to eastern sales mgr., N. Y., succeeded by **Allen VanHorn Hundley**, ex-John E. Pearson Co. mgr. in Dallas.

Arthur J. DeCoster promoted from account exec. to sales mgr., ABC-TV Spot Sales, Chicago.

Obituary

Kenneth M. Fickett, 60, CBS Radio associate dir., died Dec. 14. He'd been with network almost continuously since 1941, was uncle of actress Mary Fickett.

Fines of $1,000 & $1,500, respectively, have been ordered by FCC against radio WOL-FM Washington & KVOC Casper, Wyo. for operating rules violations. Commission rejected stations' pleas of mitigating circumstances.

Revocation of WELF-FM Glen Ellyn & WELG-FM Elgin, Ill. has been ordered by FCC which says stations have been off air without permission since Oct. 1, equipment repossessed, studios vacant, licensee whereabouts unknown.

Handbook designed to help stations plan & promote birthday celebrations & special observances has been distributed by NAB to member outlets. It's called "Congratulations on Your...", is 20 pages.

Broadcasters were asked by NAB Pres. Collins to contribute any on-air material of late President for John F. Kennedy Memorial Library, Cambridge.

AM radio membership of NAB has reached all-time high of 2,005, gain of 7.5% over last year.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington, D.C. 20006
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

Desilu Productions rebounded from $655,387 loss in 1963 fiscal year ended last April 27, with $400,005 profit in current fiscal's first half (see financial table), expects profit-comeback to continue. "With all of Desilu's anticipated extraordinary cost adjustments having been effected as of the preceding fiscal year," Pres. Lucille Ball noted: "We believe that Desilu's currently profitable operations will continue and will be reflected favorably at the close of the current fiscal year."

Columbia Pictures' stockholders voted increase in authorized shares to 3 million from 2 million. Secy. Charles Schwartz said increased shares would be available for acquisition & future stock dividends. Queried by stockholder if Columbia wasn't being "carried" by subsidiary Screen Gems, S. H. Malamad, vp & treas., agreed that TV film maker is delivering large share of Columbia's profit.

United Artists will finance at least 15 stage plays at rate of 3 a year over next 5 years, will invest initially $150,000 in 3 plays slated for tryout in out-of-town theaters next summer.

ABC Films announces sales of 25 hours of public affairs specials in Australia & at least 8 hours of similar programming in Japan, following recent Far Eastern tour. Among programs involved are "Saga of Western Man," "Expedition."

Metromedia is making its programs available to educational & govt. stations. In last 2 years, company has donated more than $600,000 to ETV in N. Y., Los Angeles, Washington.

Katz Agency's semi-annual "Spot TV Advertising Cost Summary" now is available. It's 34th edition, provides market-by-market cost estimates of various announcement lengths, etc.

TV-radio industry received March of Dimes' Distinguished Service Award, presented to NAB Pres. Collins by House Speaker McCormack (D-Mass.).

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

TELCAN DEMONSTRATION RAISES QUESTIONS: We viewed demonstration of British-developed Telcan home video tape recorder (now called Cinerama-Telcan) last week, and what we saw & heard raised more questions than it answered.

Recorder was demonstrated in basement lounge ("Babyrama Room") of Loew's Cinerama Theater in N. Y. by youthful & enthusiastic officials of British group that developed it (Rutherford Engineering Partnership, affiliated with picture tube rebuilder Nottingham Electronic Valve Co.) and Louis Dolivet, official of Cinerama-Worldwide Inc.

Four video recorders were on display—2 using British 405-line standards & hooked to studio vidicon TV camera & British (Baird) TV sets, and 2 modified for U. S. 525-line standards & attached to U. S. standard sets (one 11-in. GE, one 525-line Baird set). Pictures were taped from air (525 lines) & from vidicon camera (405 lines), played back immediately.

It is difficult to make accurate appraisal of playback quality, since original pictures on 525-line receivers were of poor quality—ghosty & snowy—and closed-circuit live pictures were just barely acceptable. Playback tape pictures showed definite degradation—coarseness, low resolution, poor detail; signal-to-noise ratio appeared adequate. We would place them at or below level of old-fashioned poor kinescope recording. Whether or not this is satisfactory picture for home viewing is matter of personal judgment, to be counterbalanced by such other factors as price, convenience, desire for home video recording, etc.

There's no detracting from fact that Telcan is remarkable development. Unit is about size of home audio tape recorder, contains 3 circuit boards (one for video record, one video playback, one sound record-playback), 28-32 transistors (depending on quality of audio reproduction desired). It has video record head, audio record head, erase head, records at 120 ips on 1/4-in. audio tape. One of secrets is in mechanical construction of low-cost, high-resolution video head (which must be replaced every 100 hours).

Several aspects of what we saw & heard disturbed us, however. Co-developers Norman Rutherford & Brian North told us that bandwidth of recorded signal is 2 mc—quite a development in itself—but that resolving powers were not susceptible to improvement without losing in signal-to-noise ratio. In short, Telcan was presented as essentially finished device—not a machine in early stages of development.

Tape speed is another troublesome matter. Machine gobbles up tape at 120 inches per second—7 miles per hour. Used for demonstration was big 11-1/2-in. reel of .4-mil polyester (triple-play) tape. This big reel was able to store 11 min. of recorded material; could be turned over & another 11 min. recorded, for total of 22 min. on 2 sides. Tape has 4 tracks, one video & one audio in each direction. It was explained that machine could be modified for color by eliminating one set of audio & video tracks & substituting color difference signal. This, however, would cut playing time down to 11 min. for 11-1/2-in. reel by eliminating reverse track.

Marketing plans for Telcan system tended to arouse skepticism of observers. Cinerama officials said production model home recorder (more deluxe than the one shown) would sell in U. S. for about $150 (vs. $160 in Britian), & that companion miniature home TV camera would be offered for $150 additional.

Cinerama says it is negotiating with "major U. S. TV manufacturer" to produce recorder for sale in U. S., perhaps elsewhere, says it will discuss licensing to more than one manufacturer, but concedes there will be no serious talks until next month. Nevertheless, officials say shipments should be on way to dealers next June or July for marketing in summer-fall season. Moreover, they say they're aiming at same marketing target date in France, Germany, Sweden, Italy, South Africa & Australia.

British group says it already has booked orders for 100,000 recorders in England, where it will be manufactured under contract by un-named manufacturers (retail target date, Apr.-May). Although officials said they were now showing recorder to TV manufacturers, we know of at least 2 major ones which had not been contacted by week's end. Alvin Barshop, sales dir. of Emerson's tape recorder-phono div. (Telectro recorders), was observer at demonstration when we were there.

New Cinerama-Telcan Co., owned 51% by Cinerama, 49% by British Rutherford group, has U. S.-Canada marketing rights; Cinerama has 40% interest in group exploiting device for U. K. sales, and it has 51% interest for sale in rest of world.

Telcan demonstration proved to us that age of home video tape recording is close at hand. We feel, however, that Telcan, as it now exists, is unlikely to be mass-market product. We believe, too, that stated target dates & prices may be quite over-optimistic—particularly in view of fact that no U. S. electronics mass-manufacturer has signed to produce it.

There will be other demonstrations of home video recording systems in near future. Fairchild Camera plans to show its version to set manufacturers next month. At least 10 U. S. companies—possibly 3 or 4 times that many—are working on problem. Thus we see Telcan as healthy start—instrumental in spurring others to step up research—but not necessarily the answer.

—

TOUGHER PHILCO FLEXES MUSCLES FOR '64 PUSH: Any doubts that Ford dynamism had rid Philco of its pre-merger sluggishness were impressively dispelled in Detroit last week. Philco distributors attending first national convention in parent company's hq city witnessed ample evidence that onetime consumer products giant is on move again—and moving sure-footedly with aggressive & long-range product & merchandising plans.

Decision to convene distributors in Detroit was purposeful one. Impressively massive & modern Ford complex, coupled with encouraging analysis of Philco's future by Henry Ford II in banquet address, emphasized that they're teamed with parent organization that's a doer, that's accustomed to success, that will not spare management talent, effort or expense to speed Philco on road to dominance in entire consumer products field.

Despite fact that Philco closed 3rd quarter still in red, Ford's putting more money into fight, has okayed Philco-requested hike in budget for 1964 to expand dealer organization & intensify merchandising. "We gave them the go-ahead," Ford Pres. Arjay Miller said. "We feel we have now developed a better product and need a larger and better sales organization."

Philco is still maintaining its "no comment" policy on financial progress. But Pres. Charles E. Beck did reveal that sales today are ahead of the $421 million posted in 1961, Philco's final year before Ford takeover.

Philco has set sights on 50% increase in consumer product sales in next 2 years. Major elements in big drive will be sharp expansion of dealer organization, 50% boost in ad spending next year to $7 million, beefing up of product lines, concentration of ad emphasis in local markets.

"Our conclusion is that there is a considerable opportunity for Philco as a full-line manufacturer," said Larry H. Hyde, consumer products div. vp-gen. mgr., in noting that Philco had already placed major emphasis on re-design of refrigerator line. "Success lies in increasing the number of dealers handling Philco as their prime line and improving our customer exposure."

Beck views market for Philco products as worldwide, emphasized that "the Common Market in the next decade will be the most lucrative consumer products market anywhere." He said that Philco's Italian affiliate, which produces full line of white & brown goods, is undergoing major expansion program.

Beck's news conference also revealed that Philco has something cooking in color field. We asked him if Philco planned to produce color tubes at its Lansdale Div. He declined to reply directly but added: "We're doing some advanced research there; this is in the field of technology." Corridor talk indicated that announcement of significance relating to color may be forthcoming shortly after first of year.

For more on Philco distributor convention, see p. 11. For highlights of new sets, see p. 12.

RADIO-PHONO '64—OUR INDUSTRY SURVEY: What will next year bring in radio & phono sales? There's no unanimity among American manufacturers. For every one who sees increase in the wind, another predicts decrease.

This is most notable trend in our survey of manufacturers on prospects for radios & phonos—in marked contrast to our TV survey, reported last week (Vol. 3:50 p7), in which rose-colored glasses were order of the day.

Disagreement & confusion as to 1964 prospects is understandable, in view of 1963 pattern which saw lackluster sales of domestic radio through most of year, with some pickup toward year's end, while phono sales soared most of year only to slow down in home stretch. Here are highlights of our phono-radio survey, to which 13 manufacturers responded:

Radio sales: Of 10 manufacturers venturing predictions, 5 thought sales of domestic radios (to dealers) would be higher next year than in 1963, and 5 thought they'd be lower. Median prediction was 10.5 million, just about same as anticipated 1963 radio sales. Between highest & lowest forecast there was swing of 3.5 million sets. Those who thought sales would decline forecast distributor sales of 8.5 to 9.5 million; those foreseeing rise predicted 10.5 to 12 million.

Phono sales forecasts were just as mixed as radio predictions. Assuming this year's distributor-to-dealer sales will total about 5.1 million, 6 manufacturers saw more sales next year, 6 saw less. This put median in about same range as this year's sales—5-5.2 million. Lowest prediction was 4.5 million (by 2 manufacturers), highest 5.5 (also by 2).

There was general agreement that phono mix next year would be substantially unchanged. But some manufacturers saw somewhat greater demand for high-quality and/or solid-state units.

We've digested individual replies to our radio-phono survey questionnaire on p. 10. Next week, we'll present final installment of survey results—some interesting views on consumer electronics' most pressing problems for 1964.

TV-RADIO PRODUCTION: EIA statistics for week ended Dec. 13 (50th week of 1963) excluding 11-in. and smaller:

	Dec. 7-13	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV...	136,090	114,333	130,260	6,804,366	6,292,526
Total radio	397,929	388,950	388,973	17,793,738	18,584,411
Auto radio.....	192,206	174,022	190,607	7,766,289	6,936,582

TOPICS & TRENDS

Magnavox has reduced dealer prices on "considerable portion" of its TV & phono lines in anticipation of its 6-week annual sale, which starts Feb. 10. Innovation permits Magnavox dealers to buy merchandise now at reduced prices, sell at regular prices until sale begins. Company said discounts are designed to help dealers have more profitable Jan. and to stock up on sale merchandise.

Sylvania has formed govt. systems marketing board "to explore and respond to new business opportunities in the changing electronic defense market." Lawrence J. Straw, military mktg. vp of Sylvania Electronic Systems Div., is chmn. Henry Lehne, a corporate senior vp & the division's gen. mgr., is vice chmn.

Westinghouse's patent infringement suit against International Rectifier, involving 2 semiconductor patents relating to power rectifier devices, has been settled. IRC has taken a license under the 2 patents, will pay back royalties for "past infringements," Westinghouse reported. Suit was filed Jan. 1963.

RADIO-PHONO '64: Here's company-by-company digest of responses to our radio-phono survey (see p. 9 for summary), to which have been added comments from some year-end statements. Some figures have been withheld at request of respondents and used only in computing trends. Sales estimates quoted are domestic-product distributor-to-dealer.

Admiral: Chmn. Ross D. Siragusa predicts increased popularity of stereo, with "solid-state models achieving a large share of the market," radio sales rising slightly to 10.5 million. Vp Ross D. Siragusa Jr. sees stereo phono sales at 3,950,000 units, with radio imports probably unchanged from 1963.

Emerson Pres. Benjamin Abrams: Phono sales 4.5 million, no major changes in mix. Radio sales about 12 million, radio imports decreasing by approximately 30%.

Motorola: Pres. Robert W. Galvin sees phono sales declining to 4,780,000, radio sales dipping to about 9.5 million. Motorola Consumer Products Pres. Edward R. Taylor foresees phono mix remaining at about two-thirds portable, one-third console. FM-AM radio sales should rise from 1.2 million in 1963 to 1.6 million next year, with FM-stereo-equipped phonos increasing from 1 to 1.3 million. He anticipates possible slackening off of imports if radio business continues at low ebb.

Olympic Pres. Morris Sobin: Phono sales 4.6 million, no change in mix. Radio sales 11.8 million, imports remaining "about the same in units, while dollar volume decreases as result of lower prices."

Packard Bell Pres. Robert S. Bell: Phono sales 5.2 million (including imports), no major changes in mix. Radio sales 11.7 million, no significant change in imports.

Philco Consumer Products Div. Vp-Gen. Mgr. Larry H. Hyde: Phono sales 5.15-5.3 million, with increased sales of units below $269.95 and more strength in higher-priced goods over $400. Radio sales 11 million, with 2% decline in radio imports.

RCA Sales Corp. Pres. Raymond W. Saxon: Phono sales relatively unchanged at 5.2 million, no major changes in mix. Radio sales about 9.4 million, with imports increasing very slightly.

Setchell-Carlson Pres. B.T. Setchell: Radio sales 15 million, with "about a 5% increase in radio imports due to added price-cutting." No major change in phono mix.

Sylvania Home & Commercial Electronics Pres. Robert J. Theis: Phono sales for 1963 were about 5.2 million (1.8 million consoles, 3.4 million portables); next year they will increase to 5.5 million (1.9 million consoles, 3.6 million portables). Mix will hold at about same level, but in console category "the better & higher-priced models will continue to increase." Bench models "will fall off seriously—as the shallow market has been filled." Trend to "component-specification" portables will continue; swing toward transistorization "will not be as fast as some would lead you to believe." Sees "a tremendous stereo market ahead—a resurgence as dynamic as the early talking-machine days." Radio sales to decline to 9 million from 10 million this year, imports to "level off & decline slightly."

Symphonic Pres. Max J. Zimmer: Phono sales showed 5% increase from 1962 (4.84 million) to 1963 (5.1 million). "We conservatively estimate a further increase of 5% in 1964, to 5.35 million." No major changes in phono mix, but increase in portable sales will continue at faster rate than in consoles. Use of transistor amplifiers will accelerate this trend.

Wells-Gardner Sales Mgr. Allan Gardner: Phono sales 4.5 million, no significant changes in mix. Radio sales 8.5-9 million, imports increasing 15-20%.

* * * *

Received too late for inclusion in last week's TV forecast roundup (Vol. 3:50 p10) was reply of Olympic Pres. Morris Sobin, who predicts b&w sales of 6.7 million, color 850,000. He sees small-screen sales increasing "as plus business to present portable volume—hence an increase in total portables." B&w table models & consoles will decline, with combinations maintaining present level. "Significant increase in color consoles, modest rise in color combinations." All-channel law will cause price increases, but "some models may be revamped to cover up the price rise." Sales will suffer during summer after vhf stocks are sold out, but by Oct. or Nov. sales will pick up again as Christmas buying begins." TV imports will rise by about 25% above 1963 level.

Trade Personals

Hershner Cross, ex-gen. mgr. of GE Radio & TV Div., promoted to vp & group executive in charge of GE's Industrial Group, succeeding **Arthur F. Vinson**, who died Dec. 6. New gen. mgr. of Radio & TV Div. is **Robert C. Wilson**, former radio receiver dept. gen. mgr.

David Westerman elected pres. & a director of Hazeltine Research Inc., succeeding the late **Wilfred M. McFarland**; he also continues as vp-gen. counsel of parent Hazeltine Corp.

Dr. Elmer W. Engstrom, RCA pres., appointed to U.S. Industrial Payroll Savings Committee for U.S. Savings Bonds, representing electronics industry, succeeding ITT Pres. **Harold S. Geneen**, who continues as member-at-large.

Frank S. Misterly promoted from RCA patent services mgr. to staff vp for patent operations.

H.I. Romnes elected AT&T vice chmn. & a dir., succeeding **William C. Bolenius** who retires Dec. 31, succeeded as Western Electric pres. by **Paul A. Gorman**.

Herbert F. Lello named GT&E exec. vp for mfg., succeeded by **Darwin H. Deaver** as pres. of subsidiary Automatic Electric... **Charles Hummel**, Bendix controller & member of administration committee, elected a vp.

Lewis J. Cox elected electronic specialty group vp for Industrial-Consumer Products... **Philip C. Shirkey Jr.** appointed GE instrument dept. mktg. mgr.

Obituary

George G. Barker, 55, Raytheon Technical News Section mgr., died recently after a brief illness. He had been with Raytheon for 21 years. He is survived by his widow and daughter.

Stepped-up semiconductor research is planned by Fairchild Camera & Instrument. Semiconductor Div. will double its research facilities by building $2 million, 100,000 sq. ft. addition to its Palo Alto, Cal. operation.

PHILCO MAPS EXPANSION PROGRAM: Development of more complete product lines and a market-by-market program to find more dealers to sell them aggressively represent Philco's primary aims & efforts for 1964.

"One of our greatest deficiencies is not enough dealers who regard Philco as their prime line," consumer products div. Vp-Gen. Mgr. Larry H. Hyde emphasized at last week's national distributor meeting in Detroit (see p. 8). Company hopes to rectify situation with ambitious Market Acceleration Program that embraces:

(1) A 50% increase in ad spending to $7 million (not including co-op), some 60% to go into local newspaper ads. Intensive market study established "direct correlation between position in the market and local advertising in that market," Hyde said.

(2) Five retail promotions "oriented to seasonal buying patterns and designed to create store traffic."

(3) Expanded field force to reinforce distributor sales efforts, combined with three-fold expansion of sales training program.

(4) Market-by-market analysis, including survey of thousands of dealers, for use in planning city-by-city campaigns. Special effort will be made to increase sales in non-metropolitan areas, which in past have been particular Philco strongholds. "In the next 2 weeks," said Hyde, "we will review the analysis with all distributor principals & sales managers and form individual plans to build the dealer structure."

Major thrust in Philco's 1964 push will be devoted to developing "balanced offensive in white as well as brown goods," Hyde said. "Our emphasis will be on outstanding middle-of-the line merchandise with enough unique high-end merchandise & low-end attention-getters to stimulate consumer preference."

Although major attention is being given to revitalization of Philco's white goods lines, Hyde indicated that stereo products would be stressed more than previously, and that important re-design of radios & portable phonos would be evident next spring. TV drop-ins shown in Detroit emphasized "furniture-look" portables & table models (see p. 12).

Hyde indicated that brown goods hadn't yet received their major Ford overhaul. He pointed out that Philco had stronger position in consumer electronics than in appliances. "The consumer electronics business is holding even generally," he said, and "our objective now" is to develop full-line strength. "In applicances, we have made the largest gain in market share of any manufacturer."

Other comments by Hyde: "Enough color tubes will be available by next spring to satisfy all requirements... We are not now in the private-label business nor are we seeking it... We do not engage in large sales of appliances at special prices to builders."

Eitel-McCullough announced 2 international licensing agreements, described as "most significant" in company history: British firms English Electric Valve Co., Chelmsford, and IT&T subsidiary Standard Telephones & Cables Ltd., London, will manufacture E-M's uhf klystron tubes. Move follows BBC award of $3.5 million for construction of transmitters for new uhf service. Company says other European licensing agreements are pending.

3M CARTRIDGE PLANS: Minnesota Mining is satisfied with progress of its cartridge tape system after first year of distribution, and is now beginning plans to broaden unit's appeal through more new models and OEM versions.

Darrell H. Boyd, Revere-Wollensak Div. mktg. mgr., told us that cartridge changers are now being handled in nearly 600 retail outlets in more than 70 markets, that field performance has been good, that "minor bugs" which developed were handled through modifications which could be made at warranty stations.

As for 1964—year will start with first nationwide TV advertising of cartridge changer, through sponsorship of Bing Crosby Golf Tournament. Phono manufacturers have been sampled with 3M-Revere tape decks, and Boyd believes "packaged component" manufacturers—rather than mass producers—are likely to be first to incorporate changer in their consoles because of its relatively high cost.

Boyd made it clear that 3M doesn't look at today's cartridge units as its complete line. It currently has 4 models, from complete self-contained stereo recorder-player at $399 (formerly $450) down to player deck at $269. "Our marketing approach has been to get acceptance of quality music at this speed and in the cartridge concept," Boyd told us. "We know we must broaden the line. After we research our results, we know we must break the $200 barrier, and then come close to the $100 barrier." Auto, boat & battery portable recorders are also possibility.

3M is attacking another barrier first—the cartridge-tape barrier. It has gone into pre-recorded tape distribution business, licensed to make & distribute cartridge versions of ABC-Paramount & Westminster labels, as well as one Warner Bros. Bing Crosby Christmas album. Columbia & Musictapes are also distributing pre-recorded 3M tape cartridges—but all tapes for cartridge changer are duplicated & assembled in 3M plant. 3M says it hopes to sign up other labels soon to help provide more blades for its razor.

As to tape recorder business in general, Boyd sees big shakeout coming, as soon as mass-producing TV-radio-phono manufacturers get into market in earnest. "Our attitude," he said, "has to assume that the major brown goods manufacturers are going to be in this market, and we must be prepared to compete toe-to-toe with them."

Shake-up in Motorola sales dept. has resulted in abolition of posts of national TV, stereo & radio sales mgr. Field sales activities have been enlarged, with emphasis on contact with dealers, & reduced attention to distributors. Mktg. Vp S. R. (Ted) Herkes said newly expanded regional sales manager force will spend about 80% of its time with dealers. Number of field territories has been expanded from 15 to 20. Among personnel changes: Chuck Lloyd, ex-national TV sales mgr., has been named Chicago regional sales mgr.; William Laswell, ex-national stereo sales mgr.; has resigned; C. J. (Red) Gentry, ex-national home radio sales mgr., is now car radio sales mgr.; Edward C. Caliguri, ex-TV-stereo sales promotion mgr., named head of sales planning, taking over sales promotion duties of Bob Farris, formerly national ad & sales promotion mgr., who has taken over direction of local as well as national advertising.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Columbia Pictures	1963—13 wks. to Sept. 28	—	$ 1,591,000	$ 791,000	$ .44[1]	1,671,652
	1962—13 wks. to Sept. 28	—	1,705,000	577,000	.32[1]	1,671,652
Desilu Productions	1963—6 mo. to Oct. 26	$ 11,195,935	—	400,005	.33	1,233,631
	1962—6 mo. to Oct. 26	9,089,236	—	361,661	.31	1,155,940
	1963—qtr. to Oct. 26	6,318,576	—	315,130	.26	1,233,631
	1962—qtr. to Oct. 26	5,311,391	—	347,356	.30	1,155,940
Famous Players Canadian	1963—9 mo. to Sept. 28	—	—	1,447,508[2]	.83	1,737,072
	1962—9 mo. to Sept. 28	—	—	1,349,847[3]	.78	1,737,072
H&B American	1963—year to July 31	4,472,213	171,294[4]	171,294	.07	—
	1962—year to July 31	3,890,485	88,621[4]	88,621	.03	—
	1963—qtr. to Oct. 31	1,139,887	79,757[4]	79,757	—	—
	1962—qtr. to Oct. 31	1,101,414	27,520[4]	27,520	—	—
Hallicrafters	1963—qtr. to Nov. 30	8,607,000	(571,000)	(274,000)[5]	—	2,545,879[6]
	1962—qtr. to Nov. 30	17,145,000	1,003,000	507,000	.20[6]	2,535,433[6]
National Video	1963—6 mo. to Nov. 30	9,988,902	—	448,962	.36	1,233,334
	1962—6 mo. to Nov. 30	8,814,993	—	178,908	.15	1,233,334
	1963—qtr. to Nov. 30	5,288,704	—	343,387	.27	1,233,334
	1962—qtr. to Nov. 30	4,895,335	—	92,218	.08	1,233,334
Servel	1963—year to Oct. 31[7]	20,842,000	—	1,092,000[8]	.49[1]	1,928,845
	1962—year to Oct. 31	22,920,000	—	2,637,000	1.29[1]	1,928,345
Silicon Transistor	1963—9 mo. to Sept. 30	3,343,000	750,000	301,000	.53	566,250
	1962—9 mo. to Sept. 30	1,957,000	292,000	131,000	.25	523,230
TraVler Industries	1963—6 mo. to Oct. 31	12,507,581	166,049	83,049	.08[9]	1,063,858
	1962—6 mo. to Oct. 31	13,964,590	441,942	225,942	.21[9]	1,013,842
	1963—qtr. to Oct. 31	8,777,558	316,086	167,586	.16[9]	1,063,858
	1962—qtr. to Oct. 31	8,750,460	282,379	143,379	.14[9]	1,013,842

Notes: [1]After preferred dividends. [2]Before $83,384 profit on sales of fixed assets. [3]Before $872,659 profit on sale of fixed assets. [4]No provision for federal taxes because of operating-loss carry-forward. [5]After $297,000 tax credit. [6]Adjusted for June-1963 3% stock dividend. [7]Preliminary. [8]Includes $188,000 proportionate share of earnings of 54%-owned Sonotone. [9]Adjusted for Sept.-1963 5% stock dividend.

NEW SETS, LOWER PRICES: A $399.95 color consolette from Emerson, a furniture-styled 19-in. line and some lower prices from Philco made this week's TV drop-in news.

At its distributor convention in Detroit (see p. 8), Philco showed 25 new sets, with emphasis on furniture-styled table models—both 19- & 23-in. At same time it cut $10 from list price of its 16-in., bringing list price down to $119.95. (Philco's first 16-in. set, introduced in Sept. 1962, bore $159.95 tag.) New low-end 19-in. portable now lists at $129.95.

Most interesting new sets are in Woodstock portable series—19-in. sets with furniture design & details, including drawer-pulls, scallopped molding around picture-tube mask, etc. Matching wood bases are available. New series is priced at $179.95, a $10 step-up from top of newly revamped Starlite portable line, priced at $139.-95-$169.95 (remote, add $22.95). New 23-in. table models, with matching bases & slip-in cabinets available, begin at $189.95, with new consoles starting at $219.95.

Emerson introduced 15 new sets highlighted by color consolette with grained wood finish at $399.95, and color consoles at $449.95 & $559.95. Five new b&w combos are $379.95-$479.95. New 23-in. console is $179.95. Emerson also dropped in step-up 16-in. portable at $109.-95 ($99.95 leader continues in line), transformer-chassis 19-in. portable at $149.95, and French Provincial stereo with FM stereo-AM at $299.95.

Electronic components forecast for '64 by GE Components Div. Vp-Gen. Mgr. L. Berkley Davis: Transistors—unit shipments rising from 1963's 291 million to 325-335 million, with dollar volume falling 4-7% from this year's $301 million. Receiving tubes—spurred by healthy TV production, 1963 factory sales dropped only 12% from 1962 to $267 million, could hit $240 million in 1964; import pressure will increase, but at reduced rate from 1963's 30% rise.

NAB LIBRARY

WEEKLY **Television Digest**

with

Consumer Electronics . . .

The authoritative service for executives in all branches of the television arts & industries

DECEMBER 30, 1963 NEW SERIES VOL. 3, No. 52

SUMMARY-INDEX OF WEEK'S NEWS

Broadcast

SHAPE OF 1964: Television Digest editors' traditional soothsaying feature—on Congress, FCC, NAB, ratings, codes, FTC, CATV, pay TV, ETV, allocations, station growth, etc. (p. 1).

CAPSULES: Examiner would shift Ch. 10 Miami from L. B. Wilson to South Fla. TV; Court of Appeals puzzles lawyers with Boston Ch. 5 order; FCC says Metromedia purchase OK if mutual funds agree not to vote stock; Commission skirts 'fiction fairness' issue in 'Smash-Up' decision; Chmn. Henry's year-end statement; FCC issues NAEB uhf plan, invites comments (p. 4).

MERITS OF AIRBORNE ETV SYSTEM claimed by Westinghouse in detailed FCC filing. Costs, coverage, dependability, spectrum conservation, among advantages asserted. Would use Ch. 75-83 for 3-program system, Ch. 66-83 for 6 program (p. 5).

STANDARDS NEEDED FOR MULTI-PRODUCT SPOTS, says Scott Donahue, Katz Agency TV sales vp. Urges differences between piggybacks & truly integrated spots must be established (p. 5).

REPORTS ON UPCOMING STATIONS: Progress reported by 3 commercial stations, one ETV—all planning 1964 starts (p. 6).

Consumer Electronics

1964's BIGGEST PROBLEMS, as cited by consumer electronics manufacturers in survey: Transition to all-channel TV, maintenance of fair profit structure, impact of imports (p. 7).

ALL-CHANNEL LAW INTERPRETATIONS on cut-off date and use of uhf adapters appear to give Japanese manufacturers advantage in U.S. market; but this may be canceled by uhf confusion in Japan; latest Japan-to-U.S. export report (p. 8).

DISCOUNTERS FACE RISING COSTS IN '64: Cost of doing business going up as low-margin retailers turn to more selling services, advertising, promotion, better merchandise. Fewer new stores in 1964; many discounters trending to small cities (p. 9).

NEW ZENITH LINE features 9 color consoles available only in all-channel versions, lower-priced color & b&w combos, unique 'drop-up' phono, portable phono with AM-FM-stereo (p. 11).

UPBEAT '64 FORESEEN: Year-end statements by major electronics firms indicate solid sales and earnings gains in 1963 and continuation of good business into 1964. Consumer products volume is on rise, several note, and is expected to compensate for sag in military electronics sales (p. 11).

THE SHAPE OF 1964: Many aspects of TV-radio industry will be influenced by fact that 1964 will be an election year. Politicians will be sensitive to anything that means gain or loss of votes, and broadcasting, with its impact at powerful peak, will be on firing line all year.

It's good to keep foregoing continuously in mind as you attempt to judge trends for the year. We found the factor popping up constantly as we compiled our traditional annual crystal-gazing feature. Herewith are trends for the new year in selected areas of major interest (predictions for consumer electronics will be reported next week):

Congress: Nearly all broadcast actions will be handled first 6 months because of short congressional year—Republican convention in July, Democratic in Aug.

There'll be handful of hearings, some legislation—but plenty of pressures, speeches, lifted eyebrows. House Communications Subcommittee, chaired by Rep. Rogers (D-Tex.), will hold hearings on fairness doctrine, political editorializing, license fees. Bill by Rep. Younger (R-Cal.) would relieve broadcasters of obligation to give free "fair" time to answer paid viewpoint. Even if this passes Committee & House, chances are it won't get by Senate. Sen. Pastore (D-R.I.) opposes. Rep. Celler (D-N.Y.) hasn't finished hearings on concentration of ownership in news media, won't resume until civil rights is out of way.

Senate may find time for hearings on pending bills—more authority for FCC in evaluating prospective purchasers of stations, daytime radio, others. There's chance for hearings on CATV. Sen.

Copyright 1963 by Television Digest, Inc. Reproduction in any form, without written permission, prohibited.

Dodd (D-Conn.) plans more hearings soon on effect of TV violence on juvenile delinquency, based on new staff monitoring, no dates set. He still hasn't issued report from previous hearings.

One new bill with good chance of adoption is being written now by House staff. It'll require broadcasters, at time of editorials, to state they have obligation to provide contrasting viewpoints. Bill to prohibit FCC from setting limits on commercials may go as far as passing House but is unlikely to get Senate approval.

Suspension of equal time for 1964—passed by Senate & House—awaits President Johnson's views, is expected to go through. Even if new President isn't as enthusiastic about TV debates as JFK, he'll likely acceed to minimum number.

Federal Communications Commission: Some of the "strong-regulation" steam will dissipate. Congress will continue to pressure Commission against increasing controls over industry. And President Johnson is hardly expected to encourage tougher regulation.

Among major actions expected during year: "Fairness" problems during election campaigns will be more numerous than ever—but Commission will handle them without serious repercussions. "Over-commercialization" rules, watered down, will be promulgated. License fees will go into effect, but Congress will make FCC uncomfortable about them. Closed-circuit TV & pay-TV will take more & more of Commission's time as it weighs impact of Subscription TV Inc. pay-cable plans, CATV regulation, petitions to make telecast toll TV permanent, theater TV, etc. New program forms will be adopted, and FCC will have huge burden of studying station responses & determining what to do with them. Commission's batting average in courts will remain high, but probably not quite as good as during last few years.

Efforts to reorganize Commission, pull some of its teeth, will continue at accelerated pace in Congress—but no final new law is likely next year. Though relatively few new laws will emerge, Commission will have record year in witness chair on Hill.

National Assn. of Broadcasters: There's fair possibility Pres. Collins will leave to run for senator or governor in Fla., to head educational or philanthropic institution, to accept major ambassadorship—or take other similar position in public eye. If he leaves, a "safe" successor will be selected.

Co-operation with state associations will increase sharply, stimulated by success of grass-roots appeals to congressmen on FCC's proposed rules on commercial limitations. In an election year, members of Congress will be more than ever receptive to requests for aid from broadcasters. (For NAB's role in specific areas, see individual subjects.)

Ratings: All rating services will be audited by independent CPA or management company, under supervision of Rating Council Inc., headed by newly-appointed Kenneth Baker, former NAB research dir., with assistance from small hq staff.

Govt. will keep pressure on, but lightly if Council fulfills promise. Harris Subcommittee will be patient with implementation of audit & standards program—which will start soon but take about 2 years to smooth out. Agency support, as expressed by AAAA, is most encouraging.

Financing of audit not yet worked out. Member organizations on board will contribute; raters are expected to pay fee for audit, will pass on part of cost to users. All segments of industry will be paying more for research—and liking it—as investment in own business.

NAB Research Committee will speed up methodological research to find improved techniques for national & local TV. Joint RAB-NAB study is expected to take charge of radio improvements, should have something definite by mid-year.

Nielsen will be out of radio completely, will soon announce dropping of network radio, has already given up local. Chance for ARB, Sindlinger to fill vacuum.

Look for rating services to continue self-improvement steps. Nielsen will have replaced almost all its national TV sample by end of 1964; at present about 1/4 of homes have been turned over.

Trend to watch is increase of inter-media comparisons. That's next ratings plateau. ARB is testing in Detroit, Nielsen has system, so has Sindlinger. More marketing services will be offered by raters—finer breakdowns on who is watching & listening, more product usage data.

Look for changes in selling practices by stations & reps, especially. They'll be more careful in making ratings claims. Newcomers in ratings field aren't expected to make major inroads in 1964.

TV-Radio Codes: There'll be changes, but not radical. Codes will stick basically to "time" standards, work toward gradual incorporation of "qualitative" criteria.

All-out appeal to industry for financial support will come. If funds are sufficient, expect new departure in Code approach—appeal for public acceptance. It would be broad effort to make Code seal significant to viewers & listeners, an attempt to give subscribing stations a competitive edge.

Major traditional Code problem will remain—economic impossibility of some stations to comply with all standards. Ways & means will be explored to find fair way of getting more of these under Code tent.

Multiple announcements, which give "appearance" of over-commercialization but don't violate Code standards, will be target of all segments of industry.

Research will be much in news, starting with study, nearing completion at Columbia, U., analyzing raw data on commercials gathered by psychologist Gary Steiner.

Big trouble spot ahead: Standards for cigarette commercials, assuming Surgeon General's Jan. report is adverse.

Community Antenna Systems: Continued greater penetration into larger markets, offering more & more channels. More big broadcasters staking claim in field. More national hookups for special events. More efforts to impose federal controls. Operators will seek congressional help to tone down FCC's regulatory moves. Tougher & tougher battles for franchises. Greater & greater capital required. NCTA playing crucial role, much of its effectiveness depending on choice of president; he'll be man of substantial stature. NAB will find its job increasingly touchy as more & more of its influential members go into CATV while more & more members worry about potential CATV competition.

Federal Trade Commission: Will make presence felt more firmly in: (1) Commercials, (2) Ratings. It's already anticipating that Surgeon General's report will conclude there's adverse effect on public's health from cigarettes, smoking in general. Has staff exploring steps to be taken. Will set up standards for labeling, get tough on commercials, expect full co-operation from tobacco & advertising industries. Over-all surveillance of all commercial claims will be stepped up.

FTC's hand in rating reform—to see there's no deception in station & rep selling, promotions, advertising—will come to light shortly. Small staff of investigators has been in field, looking into charges of ratings misuse.

Pay-TV: Subscription TV Inc. cable system in San Francisco & Los Angeles, equipped with money & showmanship, will begin, producing growing uneasiness among telecasters until success or failure is clearly foreshadowed. RKO General will assert that Hartford experiment justifies making pay TV a permanent service, seek to persuade FCC to take wraps off. But Commission & Congress will insist on meticulous & time-consuming study before final decision.

New 1964 TV Stations: Probably no more than 25-30 new outlets—about half of them uhf, and at least half of them ETV. Rate of uhf applications will accelerate, most of them resulting in hearings in major markets. Many of applicants well-heeled, shooting for full complement of stations, financially prepared to sweat out long adolescence.

Educational TV: Infusion of federal funds will continue as pump primer, encouraging serious & substantial state & local expenditures. Use of 2,000-mc band will begin to make itself felt, linking schools in ever-growing webs. With all-channel law taking effect, commercial & ETV stations will complement each other in promoting use of receivers' uhf tuners.

TV Allocations: Expansion in vhf has reached practical limits—barring some far-out technical development, such as splitting channels in half while retaining compatibility with existing receivers. Uhf assignment table will be filled out, substantially as proposed by FCC, but incorporating some features of NAEB's alternate plan.

CAPSULES

Ownership of Ch. 10 Miami should shift from L. B. Wilson Inc. to South Fla. TV Corp., according to surprising initial decision issued by FCC Examiner H. Gifford Irion. Wilson, you'll recall, won 4-month license on July 14, 1960, when FCC decided that its 3 original opponents were tarred with brush of attempting to influence decision off-the-record. Normally, FCC is loath to take facility away from any operator who does decent job. Of course, Commission may not follow Irion's recommendation.

Examiner preferred South Fla. because of civic activity of 80% stockholder William B. MacDonald Jr. and broadcast experience & local familiarity of 3 former WSPT-TV employes—Walter M. Koessler, Eleanor L. May & William R. Needs, each a minor stockholder. MacDonald has holdings in real estate, insurance, Tropical Park racetrack, is president of Tampa Tarpons Baseball Club. Also, examiner notes: "He plays golf several afternoons a week but declared he would sacrifice this recreation if obligations at the TV station required." Irion found that other 2 applicants—Civic TV and Miami TV—had good local ownership but little experience.

There was action in another "influence" case last week, but lawyers are puzzled over its meaning. FCC has hearing going on among 4 applicants for Boston Ch. 5, including operator WHDH-TV, which had been charged with off-record influence attempts. Case is also before D. C. Court of Appeals. Last week, Court issued brief order asking that each party, within 10 days, show cause why WHDH-TV's 4-month license shouldn't be set aside, why WHDH-TV shouldn't be given a special temporary authority to operate instead, and why the current FCC comparative hearing shouldn't be treated as an original comparative case rather than a renewal proceeding.

Year-end statement by FCC Chmn. Henry stresses: (1) Advances toward use of communications satellites were "most significant development of the year." (2) "We note with particular pleasure the stepped-up activity in educational TV. Over 80 educational TV stations were on the air at the year's end and, aided by the federal grant-in-aid program and the all-channel-receiver legislation, we anticipate continuing and substantial growth in this service in the year ahead." (3) "During the year the Commission has also examined the question of the amount of time devoted to commercials, has moved to clarify broadcasters' responsibilities to their local communities in the fair treatment of controversial topics of public importance, has imposed a modest filing fee on most applications to offset, in part, the regulatory expenses of the agency, and has continued its efforts to foster and promote the use of all 82 TV channels." (4) "The magnitude of non-broadcast radio operations in this country is manifested by the fact that the FCC now has more than 1.2 million radio station licensees who operate over 4 million transmitters."

Computer-built uhf plan, proposed by National Assn. of Educational Bcstrs. (Vol. 3:45 p4), has been issued by FCC which invited industry comments on it—extending filing date from Jan. 3 to Feb. 3. Commission couldn't help indicating it rather prefers its own plan, at least in some features. It said that NAEB plan "provides somewhat less flexibility in the choice of transmitter sites" and has "assignments in many areas of very low population density raising the question whether demand will materialize..."

Metromedia's problem in acquiring radio WCBM-AM-FM Baltimore (Vol. 3:48 p4) was given a temporary solution last week. Two mutual funds, Keystone & Fidelity Trend, own more than 1% each in Metromedia and Taft Bcstg., thus violating FCC multiple-ownership rules. FCC now says that it will let Metromedia acquire the stations—if the funds agree not to vote stock or try to influence policies, pending forthcoming Commission investigation or rule-making on whole problem.

Simple answer on "fairness in fiction" case—CBS-TV's "Smash-Up" program (Vol. 3:49 p2)—was given by FCC last week. It decided case without ruling on "fairness" issue. National Assn. of Claimant's Counsel of America had complained that program was instigated by insurance companies, asked FCC to prohibit further such programs. Last week, Commission told NACCA that : (1) It finds no basis for concluding that insurance industry was behind program. (2) FCC has no authority to prohibit any programs. Commission informed CBS of what it had told NACCA—period. Evidently, FCC concluded there's no need to rule on "fairness" in this case.

MERITS OF AIRBORNE ETV: Dependable system of ETV using airborne signals requires lower investment & operating costs, compared with ground or closed-circuit systems, can free TV channels for other purposes, Westinghouse's Aerospace Div. said last week in report filed with FCC.

Report is based on experience of Midwest Program on Airborne TV Instruction, now in 3rd year.

Airborne system would require 9 uhf channels for 3-channel service, 18 for 6-channel, for nation, Westinghouse said. It would require capital investment of $163 million compared with $392 million for ground system. Airborne operating costs would be $72 million annually, for 42 million students, or 55 cents per student per channel, compared with $114 million for ground, or $1.53 per student per channel. Closed-circuit system was said to be even higher in costs than ground, though no national estimates were given.

Report proposes permanent 6-channel airborne ETV system. It stated efforts are no longer experimental, that MPATI has broadcast pre-recorded lessons simultaneously to an estimated 1,200 schools, with more than 1 million students, in parts of Ind., Ill., Mich., Wis., Ohio, Ky. Group stated that not once in 2-1/2 years did it fail to transmit over its 2 channels, even during blizzards last winter.

Westinghouse says that 33 planes in air could cover entire U.S. in ideal triangular-lattice pattern. It suggests that Ch. 75-83 would provide a 3-program service, Ch. 66-83 a 6-program service. It recognizes that such allocation would preclude use of those channels for ground stations, would also require reallocation of uhf translators which now use Ch. 70-83.

Westinghouse has long knocked on FCC's door to no avail, having pioneered "Stratovision" since 1945. It tried to get idea across during 1948-52 TV freeze, but Commission couldn't see it. Now, with MPATI experience and the educational tieup, FCC may give it better consideration—if satisfied system wouldn't eat up too many channels needed for conventional ground-based operations.

New CATV group, American Cable System, has bought Tupelo (Miss.) Community Antenna Inc., also has assumed franchise for West Point, Miss., & installation of system in Laurel, Miss. for Lancaster Corp. ACS is composed of Philadelphia investors, Ralph Roberts pres. Frank G. Haley will continue to manage Tupelo system, is named ACS vp, will also supervise other systems.

CATV plans of TV Microwave Inc., Elko, Nev. to bring 4 Los Angeles & Oakland signals into Reno, have been opposed by KCRL(TV) Reno. Station said new system would make total of 8 signals available on CATV, causing it serious "competitive difficulties," stated its signal is excluded from local CATV, which also causes degradation of service.

Add broadcasters entering CATV: W. E. Hussman of Palmer Media Group (KTAL-TV Shreveport, etc.) is pres. & 45% owner of Cam-Tel Inc. system in Camden, Ark., due to begin service in Feb., estimating potential at 4,000 homes.

Storer Bcstg. files registration with SEC for 120,000 shares, to be offered officers & key employes under option plan.

STANDARDS FOR MULTI-PRODUCT SPOTS: Industry needs new standards to meet mounting problem of multi-product announcements, Scott Donahue, TV sales vp of Katz Agency, said in memo to rep's stations, stated appropriate differentiations have to be made between piggybacks & integrated commercials.

Donahue said these decisions can no longer be made from account to account, stated agencies & advertisers are beginning to make their own rules. Recently, one agency asked for credit because one of its single-product spots appeared adjacent to multi-product announcement that had been approved by Code as single announcement. Agency called sequence triple-spotting.

Howard Bell, Code dir., told us problem is already receiving top priority, that issue is of "great concern," will be dealt with shortly either through an amendment to rules or through re-interpretation. He recently met with SRA & reps on matter. Bell also had additional concern not mentioned in Donahue memo: Code is troubled because multiple spots contribute to public's impression of over-commercialization. Donahue suggests these definitions:

(1) Truly integrated announcements: Clearly give appearance of single commercial to average viewer.

(2) Integrated piggybacks: Average viewer would regard as 2 commercials, but are bridged in such manner as to qualify for Code approval as single announcement.

(3) Piggybacks: Obviously separate product messages.

Move of WNHC-TV (Ch. 8) New Haven should be granted, according to initial decision by FCC Examiner Walther W. Guenther. Hearing was held on station's application to move from 8.8 miles NNE of New Haven to 19.8 miles NNE, increase height from 720 to 780 ft., install DA. Guenther concluded that move would bring service to more people, wouldn't hurt uhfs which had opposed move—WWLP (Ch. 22) Springfield & WHNB-TV (Ch. 30) New Britain.

FTC's order preventing Carter Products, for Rise shaving cream, from "false disparagement of competing products and deceptive demonstrations" has been modified in line with court ruling that original order was too broad. FTC now states that demonstrations of superiority must be an "accurate" comparison, rather then "genuine or accurate."

Televised boxing, a mainstay in TV's early days, will be dropped by ABC-TV next fall. Low ratings, sponsor disinterest, sport's bad reputation, are reasons given. Boxing at one time was on all networks, but number of homes reached remained static over years.

France's 2nd TV channel has started experimental programming, will officially begin April 18. Govt.-owned system will offer programs contrasting with those of first channel, "less cultural," no commercials.

CBS stockholders approved proposed 2-for-1 stock split, effective Feb. 15 for holders of record Jan. 17. CBS plans to pay 25¢ cash dividend on the split shares in March, representing boost to 50¢ from 45¢ on present stock.

License fees for group applications may be paid with one remittance but should be accompanied by list itemizing amounts to be credited to each application—FCC announced.

Personals

William Dozier resigns as Screen Gems senior vp in charge of production, will reactivate Greenway Productions, which has non-exclusive agreement with SG...**Ken Croes**, sales mgr., KERO-TV Bakersfield, promoted to acting mgr., succeeding **Art Mortenson**, resigned.

Lewis M. Marcy, ex-McCann-Erickson vp, named Subscription TV Inc. vp at N. Y. hq, 60 E. 56th St...**Alvin A. Dann**, ex-ANA, joins Infoplan (PR service) as account dir. with responsibilities for Infoplan's parent McCann-Erickson Inc.

Warren L. Braun, asst. gen. mgr., WSVA-TV-AM-FM Harrisonburg, promoted to gen. mgr., post relinquished by Pres. Hamilton Shea, who continues as chief exec. officer; **Robert Lee**, program & operations mgr., succeeds Braun.

Krieger & Jorgensen, Washington law firm, moves to 1926 Eye St. NW...**John Griffin** promoted from account exec. to national sales mgr., Roger O'Connor Inc.

Ed Reis, ex-consultant, named special TV representative, Precision Instrument Co., for use of firm's portable TV recorder in closed-circuit & educational TV; **C. Robert Paulson**, ex-national sales mgr., Ampex Professional Products Div., appointed special TV sales representative.

Marion (Hank) Tribley, operations mgr. & asst. gen. mgr., WNCT Greenville, promoted to acting gen. mgr.; **John G. Clark Jr.**, sales mgr., to gen. sales mgr.; **A. Hartwell Campbell**, vp & gen. mgr., resigns to develop own broadcast interests, awaits FCC approval to purchase of radio WGTM Wilson, N. C.

Gene O'Dell promoted to production mgr., WTVN-TV Columbus, **Roger Johnson** to commercial operations dir... **Don Whiteley**, ex-promotion dir., KTAL Shreveport, named asst. promotion mgr., KTVI St. Louis.

HEW has received 6 new applications, totalling $1,110,859, for ETV construction grants: Rhode Island State Board of Education, $172,397 to activate Ch. 36 Providence; Alabama ETV Commission, $295,661 to activate Ch. 44 Huntsville & $220,918 to start Ch. 42 Mobile; U. of Washington, $231,770 to expand KCTS-TV Seattle; Yakima School District No. 7, $79,277 to expand KYVE-TV; Tacoma Public Schools, $110,836 to expand KTPS-TV. So far, 10 grants have been approved, totalling $1,552,294. Total of 38 applications, including above 6, remain, requesting $7,072,780.

"Debate" between broadcasters and FCC Comrs. Cox & Loevinger, at 19th annual Georgia Radio-TV Institute, adds Washington attorney W. Theodore Pierson. Institute takes place at Athens Jan. 21-23, co-sponsored by Georgia Assn. of Bcstrs. & U. of Georgia's Henry Grady School of Journalism.

Former FCC Chmn. Newton Minow, exec. vp of Encyclopaedia Britannica, discussing "The Law and Lee Oswald" with Harvard Law School professor Paul Freund, was scheduled for Dec. 29 on CBS-TV.

"Super-power" petition of radio WWL New Orleans, to permit certain stations to go above 50 kw, was opposed last week by Assn. on Bcstg. Standards; it charged that power boost would adversely affect present radio service.

Television Digest

PUBLISHED BY TELEVISION DIGEST, INC.
HEADQUARTERS: 2025 Eye St., N.W., Washington, D.C. 20006
Phone: 965-1985. TWX: 202-965-0979

EDITORIAL
ALBERT WARREN, Editor & Publisher
JONAH GITLITZ, Managing Editor, Television Digest
PAUL STONE, Editorial Director, Television Factbook

BUSINESS
EDWARD M. KELLY, General Manager

NEW YORK OFFICE
580 Fifth Ave.
New York 36, N. Y.
Circle 6-2215
DAVID LACHENBRUCH, Editorial Director

PHILADELPHIA OFFICE
111 Beverly Rd.
Overbrook Hills
Philadelphia 51, Pa.
Midway 2-6411
HAROLD RUSTEN, Associate Editor

UPCOMING STATIONS: KFME (Ch. 13 ETV) Fargo, N. D. plans first broadcast Jan. 5, with school programming to start Jan. 27, reports Dr. Clair R. Tettemer, gen. mgr. RCA 10-kw transmitter is ready, & RCA Super Turnstile antenna was placed on 426-ft. Blaw-Knox self-supporting tower in Oct.

Ch. 13 grantee in LaGrande, Ore. doesn't have call letters, but owner KTVB Boise, Ida. plans to start operating it as satellite in fall of 1964, according to Mrs. Georgia M. Davidson, pres. & gen. mgr. RCA transmitter has been ordered & it will use 90-ft. tower on Mt. Fanny. KTVB rep is Avery-Knodel.

WRSJ-TV (Ch. 18) San Juan, P. R. hopes to start March 1, writes Clement L. Littauer, vp & gen. mgr. of Antilles Bcstg. Corp., which also holds CPs for Ch. 16 Mayaguez & Ch. 14 Ponce. Network affiliation hasn't been signed yet, & Littauer states it can't place equipment orders until network negotiations are completed. Julio Morales will be technical supervisor. It doesn't plan to use sales rep "since most of the well-known national agencies either have branch offices here, or work in association with a local agency."

WNJU-TV (Ch. 47) Linden, N. J., with request to move transmitter & antenna to Empire State Bldg. held up by protests, has changed target to fall of 1964, according to Pres. Edwin Cooperstein. Programming will be aimed primarily at Spanish-speaking & Negro population, will include other ethnic groups. Rep will be National Time Sales.

KBAK-TV (Ch. 29) Bakersfield, Cal. CBS affiliate, has been sold by Reeves Bcstg. for sum reported to be "in excess of $1.5 million." Purchaser is Harriscope Inc. (Burt I. Harris), Beverly Hills, owner of KFBB-TV Great Falls, Mont. & 60% of KTWO-TV Casper, Wyo., and with interests in 3 independent AM's. Reeves Pres. J. Drayton Hastie said his company "will continue its policy of seeking out new opportunities for investment in TV broadcasting & related fields." Reeves also owns WUSN-TV Charleston, S. C. & WHTN-TV Huntington, W. Va.

KGGM-TV-AM Albuquerque & radio KVSF Santa Fe sold for $2.75 million to James Gilmore, owner of KODE-TV-AM Joplin, Mo. Blackburn & Co. represented buyer.

Consumer Electronics . . . .

MANUFACTURING, DISTRIBUTION, FINANCE

1964'S BIGGEST PROBLEMS—UHF, PROFITS, IMPORTS: Asked to name most pressing problem for 1964, most industry leaders cite transition to all-channel TV—but only by narrow margin. Close runners-up are maintenance of fair profit structure for dealers and/or manufacturers, and impact of imports.

In our recent survey of industry's topkicks, we asked them what was biggest problem for new year. All-channel law was cited 5 times, fair profits 4 times, imports 3. In addition, effect of tinyvision on prices, & consumer education on need for high color TV prices (as compared with b&w) were cited once each. Here's rundown on some specific comments:

Citing all-channel problems, Admiral sales vp Ross D. Siragusa Jr. says there probably will be "period of confusion" before public & dealers are completely educated to significance of change. Packard Bell Pres. Robert S. Bell expresses apprehension that "certain segments of industry might build a large vhf inventory prior to April 30 and thereby cause a chaotic market condition." In addition, he says consumer doesn't understand "the virtue of having a uhf tuner in his set which he cannot use in most areas. The usual result in past industry history, when the customers were confused, was that sales have dropped temporarily." Bell proposes "a vigorous campaign by the broadcasting industry—which was largely responsible [for] permitting this law to be passed." Manufacturers can't do it alone, he adds, "without the benefit of a huge war chest." Others who see all-channel changeover as one of industry's biggest problems were Motorola Consumer Products Pres. Edward R. Taylor and Zenith Operations Vp Clifford J. Hunt.

"The biggest problem in 1964," writes Emerson Pres. Benjamin Abrams, "will be the maintenance of a pricing structure to make possible a fair margin of profit at all levels." Olympic Pres. Morris Sobin puts challenge of '64 this way: "Making a profit in the face of severe competition among members of industry, coupled with trying to hold price line in face of higher costs due to uhf, labor & material increases."

"Dealer's profit problem" is called "most serious underlying problem in the industry" by Sylvania Home & Commercial Electronics Pres. Robert J. Theis. He attributes this largely to overfranchising, and suggests that while "action & leadership" must come from industry leaders, dealers can help in 2 ways: (1) Concentrate on fewer lines "to avoid this overcrowding which creates too much same-brand competition." (2) State their intentions to suppliers "as to what they can expect in the way of volume & cooperation. . . They should be ready to back up their intentions by proving (at the end of the year) that they did the kind of a job they said they would do for their suppliers." Wells-Gardner Sales Vp Allan Gardner listed "deriving profit from domestic-manufactured items" as one of 2 major problems. "Tinyvision and its effect on TV prices in general" is biggest problem, as seen by Philco Consumer Products Div. Vp-Gen. Mgr. Larry H. Hyde.

Imports represent biggest challenge, in view of RCA Sales Corp. Pres. Raymond W. Saxon. Pointing out that radio imports have now reached same rate as domestic production, he adds: "In TV, imports have begun to seriously establish themselves in the lower-priced portable areas. It remains to be seen whether domestic TV manufacturers can profitably compete with imported products in this particular category without the benefit of technological breakthroughs in the TV product itself. Phonographs are another area that could see increased foreign competition in 1964, particularly in the lower-priced portable field."

Motorola's Ed Taylor says "major task" for industry in '64 will be "holding its own against imports in TV, so that imports do not rock the TV boat as they have in radio." Wells-Gardner's Allan Gardner defines "meeting competition from foreign manufacturers" as one of 2 major problems. Setchell-Carlson Pres. B. T. Setchell thinks pressing issue will be "educating the consumers that color TV is not and cannot be in the same category with b&w TV."

JAPANESE ADVANTAGE IN ALL-CHANNEL LAW? Two recent interpretations of all-channel law appear to give Japanese manufacturers advantage over U.S. set makers after U-Day rolls around. However, it's our impression that there's so much confusion in Japanese TV industry that it won't necessarily work out that way.

Here are aspects of rulings which could work to benefit of manufacturers & importers of foreign-made TV sets:

(1) Imported vhf-only sets could be selling in U.S. after domestic stocks are exhausted. This is because of longer shipping lead-time involved in foreign sets—usually 30-45 days. All-channel law establishes April 30 cut-off date for manufacture of imported vhf-only sets as well as domestic ones. Thus, all sets being shipped by U.S. manufacturers theoretically will be all-channel shortly after May 1—barring stockpiling. But because of shipping time, importers probably won't have to begin shipping compulsory all-channel sets until June 1-15, simply because sets received before that time will have been built before law went into effect.

(2) FCC recently ruled, in response to query from EIA of Japan, that vhf set sold with uhf adapter would meet requirements of all-channel law, "providing that removal of adapter would disable set." While this ruling is of little significance to U.S. manufacturers, it's of top importance to Japanese makers of tiny transistor TV. In effect, it eliminates necessity for expensive retooling.

There's no room for additional uhf tuners in current Japanese micro TV sets. Addition of adapter (with some sort of interlock to disable set if adapter is removed) solves problem very neatly. (Sony, however, has already tooled slightly larger version of its 5-in. set including internal uhf tuner.) It also makes it possible for Japanese manufacturers to continue producing virtually same set for U.S. & domestic market. Only difference currently is slight variation between U.S. & Japanese vhf channels (meaning different vhf tuners); thus, same tooling could still be used for both domestic (vhf-only) & U.S. export (vhf set plus adapter) models.

It's very possible that Japanese TV industry will dissipate these built-in advantages, however. Reports from Tokyo indicate Japan is even less prepared for switch to all-channel than U.S. industry. It's said that TV manufacturers there are having difficulty getting firm commitments from their uhf tuner suppliers. Some producers are still placing stock in rumors—"hot from Washington"—that U-Day will be postponed for year. Despite heavy information program by EIAJ, it's understood that much of Japanese TV industry is fuzzy on meaning of law and is failing to prepare itself.

* * * *

Some indication of slowdown in TV set shipments shows up in Nov. Japan-to-U.S. export figures. As reported by "Home Furnishings Daily," they show only 5% increase from Nov. 1962—by far the smallest 1963-over-1962 rise for any month. In Nov., 36,079 sets were shipped, bringing 11-month total to 402,364 (equivalent to 6% of U.S. b&w production for same period), up from 137,872 for first 11 months of 1962.

Shipments of transistor & tube radios (excluding toys) from Japan to U.S. reached whopping total of 9,219,691 for first 11 months. This compares with U.S. domestic output of 9,606,798 during same period. Nov. Japan-to-U.S. shipments of transistor radios rose big 53% over Nov. 1962 figure to reach 1,053,758. Tube radio shipments were down 16% to 104,755; toys (fewer than 3 transistors) dropped by 60% to 78,499.

DISCOUNTERS FACE RISING COSTS IN '64: Cost of doing business is rising in low-margin retail field & can be expected to put new pressure on profits in forthcoming year, our survey of some 2 dozen top discount chains indicates.

Several new trends, and intensification of previous ones, presage tougher going in 1964 for discount houses. More capital will be invested than ever before to transform discount image from "shlock" to quality. There will be decreasing emphasis on junk merchandise, more on upgraded product lines. Store personnel will be more qualified, better trained—and more costly. Then, too, rise in union activities which became pronounced this year can be expected to become more intensive & widespread—and to boost costs.

In 1964, too, discounters in increasing numbers will continue to look less & less like discounters as they enlist traditional—and cost increasing—merchandising, promotion & selling techniques to stimulate business. There will be increasing use of on-floor selling service, free delivery, credit, mail-&-phone ordering service, advertising. Some discounters will introduce new services—store-to-car delivery of purchases, parking lot attendants, trading stamps, expanded-menu snack bars and full-service restaurants.

However, lest TV-radio-appliance dealers take too much solace from these cost-increasing trends, there are others in wind for 1964 to intensify competition from discounters. Three have particular significance for TV retailers.

(1) Big shake out which hit discount industry in 1962-63 is now virtually shook out. Out of wreckage have emerged the "pros"—astute, experienced, qualified retailers who know what they're doing. These chains tell us 1964 will be year of consolidation & cautious expansion, devoted to tightening operations, beefing sales personnel, sharpening management team. Competition from chains that weathered the shake out figures to be more intensive & effective in 1964.

(2) More discount stores in 1964 will introduce repair service or improve present facilities, for TVs and other warranty home instruments & appliances. This move is part of general trend to embellish quality image & emphasize discounters' one-stop-shopping attraction.

(3) There will be pronounced trend to smaller cities next year. Prime markets are largely overcrowded now, some have passed saturation point. Discounters, therefore, are now scouting smaller towns. "Next year you'll find discount houses opening in towns you never heard of," one discount executive told us. This trend means that TV retailers in many areas who heretofore only read about discount competition likely will be in thick of fight in next 12 months. Here are other observations culled from our survey of discounters:

There's general confidence that 1964's business tone is sound for discounters. With almost no exceptions, discounters we contacted forecast rising sales in upcoming year. Many expect big jumps, stemming largely from new stores opened this year.

There will be markedly fewer new discount stores in 1964. Expansion will proceed cautiously, & some discounters are now more partial to acquisition than to new construction. However, this doesn't mean blackout on new stores. Kresge's K-Mart operation, for example, which opened 35 new discount stores this year for total of 53, plans another 30 in 1964. Korvette has 10 additional stores blueprinted for next 18 months, for total of 40 by July 1965. Interstate and King's are planning in terms of 10 new stores each next year. Just about all chains we surveyed plan some new openings next year, though most will be down from 1963's expansion rate.

Discount attrition will decrease. Shake out, coupled with decline in 1964 expansion plans, has resulted in tapering off of intra-industry competition which ran riot in discount industry in 1962 and through 1963's first half.

Sum-up: TV retailers in 1964 can expect little cheer or gain from discount industry's 1963 attrition. The new discounter image that emerged during last half of 1963 is one of tough, shrewd, knowledgeable retailer. Opportunistic discounters with little experience largely have been driven from field. Survivors, however, although facing problems of rising costs and overcrowded prime markets, are capable & experienced, and they'll continue to give traditional TV retailer a bruising run for consumer dollar.

TV-RADIO PRODUCTION: EIA statistics for week ended Dec. 20 (51st week of 1963) excluding 11-in. and smaller:

	Dec. 14-20	Preceding wk.	1962 wk.	'63 cumulative	'62 cumulative
Black & white TV...	129,189	136,090	125,405	6,933,555	6,414,930
Total radio	351,315	397,929	380,877	18,145,053	18,959,969
Auto radio.....	171,790	192,206	179,453	7,938,079	7,108,486

TV, RADIO SALES UP: TV sales showed strongest increase over 1962 for any month so far in Oct., while phonos registered biggest decline and radio indicated slight improvement. This is mixed picture shown by official EIA sales & production figures for Oct. and first 10 months of 1962.

TV business continued to zoom toward all-time record, as black-&-white sales to dealers in Oct. came out more than 14% ahead of Oct. 1962, bringing 10-month total to nearly 8% above comparable year-ago period. Actual increase is greater than figures indicate, since tinyvision is not included in EIA figures this year. All-channel set production in Oct. 1963 was 16% of total, compared with 11% in Oct. 1962. For 10 months, all-channel sets constituted 14% of total TV output.

Radio sales to dealers showed slight increase over comparable 1962 month in Oct. for 3rd month in row—up about 1.8% for the month—but for first 10 months of year radio sales were lagging 1962 by more than 13%. FM sets constituted 13% of total radio output (except auto) in Oct., with FM output up 10.5% from Oct. 1962 and up 30% for 10-month period. Car radio production in Oct. soared 32% above Oct. 1962.

Phono sales, subject of concern in industry, dipped in Oct. by 7% at distributor-to-dealer level and by 12% at factory level, as compared with Oct. 1962. Year-to-date distributor sales were 8% ahead of 1962, factory sales 9% ahead. Here are EIA 10-month figures:

TV-RADIO DISTRIBUTOR SALES

Month	Black-&-White TV 1963	Black-&-White TV 1962	Radio (excl. auto) 1963	Radio (excl. auto) 1962
January	503,821	465,836	453,348	562,869
February	535,999	521,275	616,036	697,893
March	601,797	580,876	818,510	917,236
April	395,166	364,742	637,443	809,499
May	378,215	310,799	598,410	772,479
June	541,810	480,510	811,923	1,040,598
July	448,441	449,528	698,043	921,089
August	549,421	518,451	849,274	848,881
September	803,521	731,100	1,133,464	1,255,346
October	699,840	611,763	1,081,663	1,063,014
TOTAL	5,428,031	5,034,880	7,698,114	8,888,904

BLACK-&-WHITE TELEVISION PRODUCTION

Month	Total 1963	Total 1962	All-Channel 1963	All-Channel 1962
January	484,415	488,869	58,032	39,609
February	557,931	541,494	63,713	46,715
March	696,435	659,251	76,481	48,323
April	548,637	510,587	70,405	51,107
May	507,499	474,647	57,208	39,409
June	665,004	620,653	107,500	50,283
July	384,291	336,409	75,589	28,359
August	565,198	500,693	90,457	44,862
September	779,405	731,517	133,265	70,299
October	630,091	569,966	100,987	66,059
TOTAL	5,818,906	5,434,086	833,637	485,025

RADIO PRODUCTION

Month	Total 1963	Total 1962	Auto Radio 1963	Auto Radio 1962	FM 1963	FM 1962
January	1,229,507	1,350,630	594,505	530,589	87,641	76,510
February	1,389,652	1,464,797	657,691	480,232	75,544	84,216
March	1,568,381	1,810,417	677,613	607,510	100,940	81,010
April	1,359,769	1,472,654	596,899	519,296	102,208	63,193
May	1,384,063	1,444,074	555,812	504,846	119,756	62,292
June	1,653,866	1,721,873	670,106	629,004	154,818	92,287
July	990,605	1,134,250	331,816	403,946	120,825	68,037
August	1,252,878	1,253,753	489,327	427,747	119,963	98,609
September	2,103,447	2,196,371	952,129	887,104	176,260	165,433
October	1,962,124	1,835,914	894,604	675,680	165,188	149,554
TOTAL	14,894,292	15,684,733	6,420,501	5,665,954	1,223,143	941,141

PHONO DISTRIBUTOR SALES

Month	1963 Port. & Table	1963 Console	1963 Total	1962 Port. & Table	1962 Console	1962 Total
January	204,073	112,452	316,525	115,998	103,730	219,728
February	192,858	137,114	329,792	130,104	109,316	239,420
March	211,745	134,407	346,152	173,056	126,201	299,257
April	169,478	77,252	246,730	129,175	72,017	201,192
May	129,535	75,513	205,208	136,405	59,159	195,564
June	215,036	100,007	315,043	203,670	70,856	274,526
July	211,645	87,336	298,981	214,007	78,293	292,300
August	283,061	124,287	407,348	281,762	135,026	416,788
September	413,003	178,691	591,694	413,727	182,286	596,013
October	412,174	153,136	565,310	432,776	176,439	609,215
TOTAL	2,442,608	1,180,195	3,622,803	2,230,680	1,113,323	3,344,403

PHONO FACTORY SALES

Month	1963 Port. & Table	1963 Console	1963 Total	1962 Port. & Table	1962 Console	1962 Total
January	205,955	135,741	341,696	137,090	122,469	259,559
February	190,352	149,923	340,275	130,495	124,917	255,412
March	200,571	129,142	329,713	166,408	132,075	298,483
April	165,016	76,190	241,206	120,793	62,309	183,102
May	123,486	62,723	186,209	132,749	54,543	187,292
June	305,946	149,253	455,199	247,932	135,605	383,537
July	230,282	106,766	337,048	220,196	90,197	310,393
August	300,661	125,779	426,440	293,225	148,230	441,455
September	490,319	212,372	702,691	486,459	201,895	688,354
October	493,547	173,418	666,965	508,130	180,954	689,084
TOTAL	2,706,135	1,321,307	4,027,442	2,443,477	1,253,194	3,696,671

RCA has no plans to pull out of Camden, N. J. area, Pres. Elmer W. Engstrom & Group Exec. Vp Arthur L. Malcarney told meeting of state's U. S. legislators, including Sens. Case (R) & Williams (D). Persistent reports that company will move from Camden are without foundation, they said. Reports mount in wake of layoffs caused by sag in defense business. Legislators & RCA executives agreed to intensify efforts to get more defense business for Camden area.

Nov. was not great month for sales of either b&w TV or radio. Preliminary figures indicate TV sales to dealers only slightly higher than Nov. 1962, while radio sales were 28% below those of corresponding 1962 month. Effect of national mourning for Pres. Kennedy was not reflected in figures, since EIA's statistical month of Nov. ended Nov. 22, day of assassination (for official Oct. figures, see above).

Hitachi Ltd., Japan's largest electrical-electronics manufacturer, has asked Japanese govt. to approve U. S. consumer products sales subsidiary, Hitachi Sales Corp., in Los Angeles, to be capitalized initially at $500,000. New firm would work through regional distributors, including Sampson Co., Chicago, which has been exclusive U. S. importer & distributor for Hitachi consumer electronics lines.

Color tinyvision is promised for 1964 by Mitsubishi, whose simple announcement of 6-in. color set to sell in Japan at about $225 has aroused interest among U. S. manufacturers. In Tokyo, Mitsubishi said set is in pilot production stage, may be exported to U. S. by late 1964. Company said marketing would start next May, but revealed no other details.

GE has settled 3 anti-trust damage suits with total $10.7 million payments to Consolidated Edison ($5.8 million), Middle South Utilities ($2.6 million), Niagara Mohawk Power ($2.3 million). Suits were aftermath of electrical price-fixing conspiracy case.

UPBEAT '64 FORESEEN: Cheery, indeed, is outlook for 1964, if tenor of year-end reports by major electronics companies is criterion. Here are capsule summations of their views:

RCA reported record sales & profits for 1963 (see financial table). .Chmn. David Sarnoff saw 1964 as "year of economic advance & heightened business activity." He predicted color set sales at 1.2-1.5 million, depending largely on picture-tube output. "In all its aspects, from manufacturing to broadcasting to servicing," he said, "color at the retail level promises to become a billion-dollar industry in 1964." RCA, he added, expects to achieve record business & profits in 1964 for 3rd consecutive year.

Reviewing 1963 operations, Gen. Sarnoff picked 3 segments of RCA's business as providing "decisive impetus to growth": (1) Color—"profits from the sale of color apparatus & related color services increased by 70% over the previous year." (2) Broadcasting—"NBC earned substantially greater profits than its previous record earnings year of 1962." (3) Data processing—sales & lease increased by more than 50% in 1963.

GE has hopes of record $5 billion sales in 1963 and "over-all, it looks good for 1964," in opinion of retiring Chmn. Ralph J. Cordiner. He said gross national product would expand in 1964 by 5-6%, declared "we expect to do better than that." He credited Consumer Goods Div. with "doing a terrific job," said sales strength of consumer goods, industrial equipment & international shipments will more than compensate for softening in defense & utility sales. GE is still plagued by anti-trust damage suits arising from 1961 electrical conspiracy case, but Cordiner said firm will soon settle some 2/3 of the claims for about $75 million.

Westinghouse expects 1963's sales to top 1957's record $2.009 billion and foresees volume rise in 1964. Pres. Donald C. Burnham forecast total 1964 sales of more than $27 billion for electrical manufacturing industry, up from 1963's projected $26.6 billion, said "Westinghouse expects its sales to parallel the experience of the industry." He noted that company "will enter 1964 with the largest backlog of orders since the 1953 Korean war period," said all product groups should contribute to anticipated 1964 improvement.

Motorola is confident its 1964 business will "exceed 1963 in both sales and earnings," looks for "continued high level plateau of national prosperity in 1964," Pres. Robert W. Galvin reported. "Our greatest concern," he continued, "is whether the prospective tax cut in 1964 will be accompanied by the necessary concurrent reduction in the costs of govt." For Galvin's forecasts of Motorola's 1964 sales of TV, radios, hi-fi, other products, see Vol. 3:50 p8.

Arvin Industries sales & earnings are at, or close to, record levels, and Pres. Eldo H. Stonecipher anticipates continuation of "good" business during 1964's initial months. Outlook for 1963 is 10% earnings rise on 5% sales gain from 1962.

Philco's future is bright, in opinion of Ford Chmn. Henry Ford II. "The American market for TV, radio, hi-fi & household appliances is far from saturated," he told Philco distributors at recent Detroit convention (Vol. 3:51 p8). "The market is not saturated when fewer than 1/4 of American homes have air conditioners, freezers & clothes dryers. The market for TV will not even approach saturation until color TV is as much a fixture in the American living room as black-&-white TV is now. And, even then, there will still be plenty of demand left to satisfy... As family income goes up, I think you can look forward to continued growth in the number of families owning two or more of the many products you sell."

Packard Bell Electronics expects earnings in fiscal-1964's opening quarter, ending Dec. 31, to more than double to more than $1.35 a share from 61¢ a year earlier. Included will be 80¢ a share in capital gains, compared with 5¢ in 1962's Oct.-Dec. period. Sales should match year-earlier's $14.3 million. Chmn.-Pres. Robert S. Bell forecast for total fiscal year "an improvement" over fiscal-1963's $1.1 million earnings on about same sales volume, $49.4 million.

ZENITH'S ALL-CHANNEL COLOR: New Zenith line, now being shown to dealers at distributor open houses, features more color sets (23 in all), slightly fewer b&w than previous series. Nine color consoles are available only in all-channel, some of them featuring unique radio-type slide-rule dial with 2-speed tuning. All-channel color consoles run from $750 to $950 (including 6 remote models), about same prices as their predecessor vhf-only models of last spring. Also new to color line is $995 color combo (previous combos at $1,300 & $1,775 remain in line). Color sets still begin with ebony table model at $449.95.

Two 16-in. models continue to lead off b&w line (picture power stepped up to 17,500 volts), but they're open list this time (formerly $149.95-$159.95). New 23-in. b&w combo with AM-FM is $449.95 (vs. $519.95 for former lowest-priced combo), or $499.95 with FM stereo. Top of line b&w combo is $629.95 (vs. $650 top 6 months ago).

Two all-new stereo portables lead off phono line. One is upside-down version of drop-down phono—it flips up, instead, using new changer only 7-1/2-in. wide, which sets on top of wing-speaker cabinet when top is flipped over. This 4-speaker unit is $129.95. Also new is portable tilt-down phono with AM-FM & FM stereo radio at $229.95. Solid-state amplifiers are used in 8 stereo consoles & some TV combos.

Columbia Records introduced 10 additions to its Masterwork line, including 2 transistorized 3-piece "packaged component systems" in walnut cabinets—$225 for phono, amplifier & speakers, or $325 including AM-FM-stereo tuner. Portable phonos are $24.95 to $139.95, latter being transistorized unit. AM-FM table radio at $39.95 and AM-FM personal portable at $49.95 were also introduced.

* * * *

Some Zenith TVs will be fair-traded in N. Y. for first time, under new policy of Zenith Radio Corp. of N. Y., factory-branch distributor. It's understood that all color consoles, two 19-in. portables & two 23-in. consoles are involved. Fair trade prices have also been set by Zenith's N. J. distributor, Appolo Distributing Co.

Motorola is test-marketing several hundred 23-in. rectangular color sets in Chicago. Production of the tube has been stepped up at National Video, and Motorola is tentatively planning on shipments of 23-in. color sets in significant quantities in 1964's 2nd quarter.

Financial Reports of TV-Electronics Companies

These are latest reports as obtained during the last week. Dash indicates the information was not available at press time. Parentheses denote loss.

Company	Period	Sales	Pre-Tax Earnings	Net Earnings	Per Common Share	Common Shares
Allied Radio	1963—qtr. to Oct. 31	$ 13,173,000	—	$ 34,000	$0.03	1,065,098
	1962—qtr. to Oct. 31	13,636,000	—	122,000	.11	1,019,739
Muntz TV	1963—qtr. to Nov. 30	3,627,875	$ 315,563	156,970[1]	.11	1,437,482
	1962—qtr. to Nov. 30	3,322,068	392,381	331,235	.23	1,437,482
RCA	1963—year to Dec. 31[2]	1,780,000,000[3]	135,000,000	65,000,000[3]	3.55	17,390,000
Story on p. 11	1962—year to Dec. 31	1,751,646,000	107,935,000	51,535,000[4]	2.84	17,023,000
	1963—qtr. to Dec. 31[5]	466,000,000	—	20,800,000[3]	—	17,390,000
	1962—qtr. to Dec. 31	486,173,000	38,057,000	17,257,000[4]	.96	17,023,000

Notes: [1]After full Federal income taxes; previous tax-loss carry-forward credits expired in fiscal 1963. [2]Preliminar [3]Record. [4]Before net capital gain of $6,960,000 (41¢ a share) from sale of 991,816 Whirlpool common shares. [5]Indi cated.

Trade Personals

Dr. Elmer W. Engstrom, RCA pres., appointed to National Bureau of Standards' Statutory Visiting Committee.

William L. Davis, ex-RCA Service Co., appointed Admiral national service mgr. for distributing branches, a new post, headquartering in Chicago.

Robert W. Sanders, Magnavox chief TV engineer, promoted to Consumer Products Div. engineering mgr., headquartering in Ft. Wayne.

Walter Kissinger promoted from Harman-Kardon acting gen. mgr. to vp & gen. mgr... **Joseph M. Silver**, ex-Martel Electronics, joins Majestic International Sales Corp. as gen sales mgr. and asst. to Pres. Leonard Ashbach, a new post.

J. Penn Rutherford, formerly International Resistance exec. vp, appointed exec. vp of Penn Controls, Goshen, Ind.

Charles L. Alden appointed Minnesota Mining and Mfg. Magnetic Products Div. merchandising mgr.; **Carl J. Andrews** named ad mgr.

Jack Simberg and **Daniel J. Domin**, Muntz TV vp and secy.-treas., respectively, elected dirs.

Aniello A. DiGiacomo promoted to r&d vp, General Instrument Capacitor Div.; he's succeeded as engineering vp by **Dr. Archie Broodo**, ex-GE.

Obituary

Fred Bonar Wright, 79, retired Western Electric PR dir. (1922-1949), died Dec. 21 in New Rochelle Hospital, N. Y., after short illness. He is survived by his widow and 2 sons.

Jointly owned electronics firm is planned by Thompson Ramo Wooldridge & Martin Marietta Corp. "to engage in applications of electronics to modern industry." Directors of both companies have approved plan in principle, details will be worked out over next month or so.

Muntz TV, which posted $3.6 million sales in fiscal-1964's opening quarter (see financial table), anticipates total-year volume of $15 million, up from $11.8 million in 1963 fiscal ended last Aug. 31 (Vol. 3:43 p12). Pres. Wallace A. Keil expects sales of 20,000 color sets for $8 million color volume, compared with 2,000 color sets in preceding year. B&w sales are projected at 80,000 units. The 100,000-set forecast approximates fiscal-1963's unit sales, Keil pointed out, but dollar value will be higher. Color & combinations will produce some 70% of Muntz volume this year, he said. Muntz also reported that it will introduce 16-in. TV in Jan., has terminated its private-label business, has 10,000 color tube allocation from RCA for 1964.

P. R. Mallory anticipates 1963 sales & profit slippage stemming largely from "phasing out" of subcontract for electronic assemblies used in Army radios & softening prices in various product lines. Earnings are expected to slip to about $3 a share on current shares from 1962's $3.15, sales to $93 million from $99.1 million. Pres. G. Barron Mallory said price situation is "still bad" for capacitors, semiconductors & other items. Over-all, however, prospects for 1964 appear "good at least throug the first 6 months," & 1964 sales are projected at more than $100 million.

Seeking lift of 10% excise tax on TV receivers, FCC Comr. Lee & staff recently met with Treasury Asst. Secy Stanley S. Surrey, urging that situation is unique because Congress placed special burden on industry through all-channel law. Lee also warned that increased price of all-channel sets may deter sales, reduce excise collections. Commission has told Budget Bureau that excise tax removal is high on its list of legislative priorities. It's expected several congressmen will introduce bills to remove tax.

Ampex has registered 1,511,230 capital shares with SEC for exchange for 80% or more of Mandrel Industries capital stock. Houston-based Mandrel provides operating services in geophysical exploration. Stock exchange, on basis of 9 shares of Ampex for each 10 of Mandrel, seeks to effect a "pooling of interests," to team Ampex equipment and Mandrel service to develop means for studying earth & oceans.